



**Business Operating Plan of the
Akiachak Bulk Fuel Storage Project**

July 21, 2003

Akiachak, Limited

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APPENDIX A: PRIMARY OPERATOR STATEMENT OF QUALIFICATION

APPENDIX B: O&M AND R&R COST ESTIMATE

ADDITIONAL RELATED AND ATTACHED DOCUMENTS

- 1. ACCESS, OCCUPANCY, OPERATIONS AND MAINTENANCE (A,O,O&M) AGREEMENT**
- 2. COVENANTS OF PUBLIC PURPOSE AND USE, AND MORTGAGE, SECURITY AGREEMENT, AND FIXTURE FILING**
- 3. SECONDARY OPERATOR AGREEMENT**
- 4. SITE CONTROL DOCUMENTS**
- 5. GRANT AGREEMENT**
- 6. R&R FUND ACCOUNT -- SAMPLE DOCUMENTS**

SEE BACK
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OF THIS
PLAN.

I. EXECUTIVE SUMMARY

This Business Operating Plan (the “Plan”) provides a guideline for the Akiachak, Limited’s (the “Corporation”) maintenance, operation and sustainability of a new Bulk Fuel Storage Facility (the “Facility”). The Corporation will be responsible to operate and maintain the newly installed Facility and to ensure its ongoing sustainability. This Plan has been developed to assist the Corporation with that effort: it estimates operation and maintenance needs and costs, estimates renewal and replacement needs and costs, and a per gallon surcharge for fuel. The surcharge should be reviewed and recalculated annually.

The Bulk Fuel Upgrade (BFU) Project will construct a new Bulk Fuel Storage Facility in Akiachak that will replace all of the existing storage facilities of the Akiachak Native Community (the “Council”), Akiachak, Limited (the “Corporation”) and the Yupiit School District (“YSD”). The Council will utilize its facility assets to operate Council owned utilities, the Corporation will directly retail fuel, and the YSD will operate school district assets.

Upon construction, the Facility will be turned over to the management of the Corporation (the “Primary Operator”) after the satisfactory completion, as determined by the Alaska Energy Authority (AEA) or its representative, of a 14-day test period. After this test period, AEA will provide written notice (Certificate of Substantial Completion) that the Facility is ready for Beneficial Occupancy. Upon receipt of this Certificate, the Corporation will become the Primary Operator and will assume responsibility for the use, day-to-day operations, and long-term maintenance of all Facility components, except those noted elsewhere in the Plan. When the project has been completed (the Facility is complete, crews have demobilized, invoices have been paid and there are no outstanding issues), the AEA will issue, through its Grants Manager, a Notice of Project Completion. This Notice is included in the Grant Agreement; see *Additional Related and Attached Documents*.

This Plan focuses on wholesale operations only. Additional costs that will be borne by the end-user include fuel costs and other retail operation and maintenance costs (defined later in this Plan). These additional costs are not part of this Plan. See *Table A: Summary of Facility Expenses to Participants* for the estimated per gallon fuel surcharge.

Document Interrelationships

Attached to this Plan are:

- Access, Occupancy, Operations and Maintenance Agreement (A,O,O&M)
- Covenants of Public Purpose and Use, and Mortgage, Security Agreement, and Fixture Filing (Covenants)
- Secondary Operator Agreement
- Site Control Documents
- Grant Agreement
- R&R Fund Account – Sample Documents

The A,O,O&M Agreement, the Covenants and the Secondary Operator Agreement reference the Plan, and include language requiring the Plan be followed. The Plan takes effect after these agreements and covenants are executed. Acceptance of the Plan by execution of these agreements and covenants is pre-requisite to funding from the Denali Commission (the “Commission”), which will be provided through a separate Grant Agreement (See Attachments).

II. BACKGROUND

The Denali Commission was established by the Federal Government to fund improvement projects within the State of Alaska, including the Bulk Fuel Upgrade Project. The Alaska Energy Authority is a state-owned corporation that assists in the development of safe, reliable, and environmentally sound energy systems for Alaska's communities. AEA will coordinate the planning, construction and funding of the Akiachak Bulk Fuel Facility, which is to be partially funded by the Commission.

The village of Akiachak is located the west bank of the Kuskokwim River, 18 miles northeast of Bethel. Currently, Akiachak has a 1,625-foot gravel airstrip and seaplane facilities where scheduled and chartered air services are available year-round.

The population of Akiachak, predominantly Yup'ik Eskimo, has grown steadily over the past fifty years and the economy of the area is primarily focused on subsistence activities. Currently, upgrades are underway on the water and wastewater system with most homes community facilities connected to the piped water and sewer system, while most residents haul water from the washeteria and 25 households currently haul honeybuckets.

The Akiachak Native Community provides most utility services; it owns and operates the washeteria, landfill, sewage collection, health clinic, water utility and electric utility.

Selected demographic and historical data for the community is provided below:

Selected Statistics – Akiachak

Population	
2000	585
1990	481
1980	438
1970	312
1960	229
1950	179
Housing (2000 Data)	
Occupied Housing	133
Vacant Housing Due to Seasonal Use	0
Other Vacant Housing	17
Economic Data (1990 Data)	
Unemployment Rate	25.5%
Median Household Income	\$35,833

III. FACILITY UPGRADE

The Bulk Fuel Upgrade Project will construct a new Bulk Fuel Storage Facility in Akiachak that will replace all of the existing storage facilities of the Council, Corporation and YSD (collectively referred to as the “Participants”).

Bulk Fuel Storage Facility Description

The AEA contracted with CE2 Engineers, Inc. to develop a Conceptual Design Report (CDR), which was submitted to AEA in November 2001, and with LCMF Inc. to update and revise the design, which was submitted in August 2002 and May 2003. The purpose of the CDR, and its updates, is to provide a concept design and construction cost estimate for consolidation and upgrade of bulk fuel storage in the community, which are referenced in this Plan. This Plan is predicated upon the information contained in the CDR, and updates, and its acceptance by the community.

The new Facility will be located to the west of the village near the Kuskokwim River. The Facility will consist of twelve storage tanks, six intermediate tanks at various locations, and a multi-product dispensing tank.

Project Exclusions

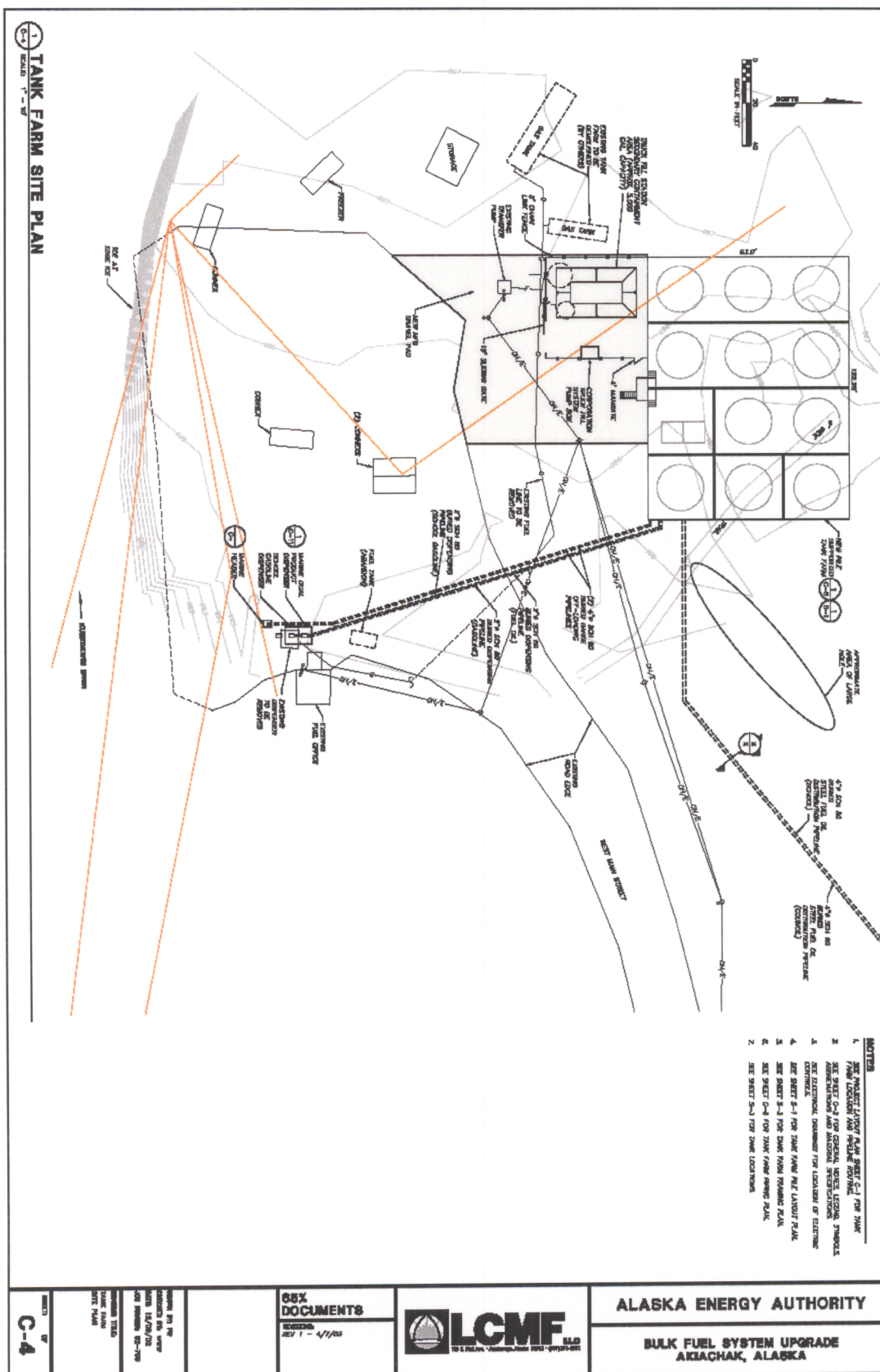
The BFU project does not include the following:

- Decommissioning of existing tanks or environmental remediation
- Retail business: including licenses, revenue, prices, taxes, profits, or contributions to the wholesale fuel storage program

The AEA and the Commission will not provide any guarantees, warranties or ongoing support, other than that which is defined in the Plan. However, manufacturer warranties will be transferred at the time of project turnover (defined in *Section V. Primary Operator*).

See the following diagrams for the tank farm and retail dispenser site plans and details of the Facility:

Community Site Plan



Bulk Fuel Storage Facility Capacity

The following table provides a summary of the tankage, by type of fuel (obtained from the CDR and its subsequent revisions), which will be included in the Facility upgrade:

<i>Facility Components & Capacities</i>					
Storage/Dispensing Capacity	Number	Gallons Per Tank (Gross)	Total Gallons (Gross)	Gallons Per Tank (Net)	Total Gallons (Net)
Council					
Diesel					
Primary Storage	1	48,000	48,000	43,200	43,200
Intermediate Storage	1	4,000	4,000	3,600	3,600
Intermediate Storage	1	10,000	10,000	9,000	9,000
Total Council	3		62,000		55,800
Corporation					
Gasoline					
Retail Dispenser	1+	6,000	6,000	5,100	5,100
Primary Storage	3	48,000	144,000	43,200	129,600
Subtotal Gasoline	4		150,000		134,700
Diesel					
Retail Dispenser	1+	6,000	6,000	5,100	5,100
Intermediate Storage	1	10,000	10,000	9,000	9,000
Primary Storage	5	48,000	240,000	43,200	216,000
Subtotal Diesel	7		256,000		230,100
Total Corporation	11		406,000		364,800
Yupiit School District					
Gasoline					
Fleet Dispenser	1+	9,000	9,000	8,100	8,100
Subtotal Gasoline	1		9,000		8,100
Diesel					
Primary Storage	2	48,000	96,000	43,200	86,400
Intermediate Storage	2	12,000	24,000	10,800	21,600
Intermediate Storage	1	15,000	15,000	13,500	13,500
Subtotal Diesel	5		135,000		121,500
Total Yupiit School District	6		144,000		129,600
Total Storage/Dispensing	19		612,000		550,200
Pipeline Components			Number		
Marine Header (Inside Tank Farm)			2		
Pipeline to Schools			1		
Pipeline to Power Plant, Washeteria & Water Treatment Plant			1		

+ Triple Product Horizontal Tank

Each participant's storage capacity is in excess of its present usage. The Commission guidelines dictate that extra capacity is provided to account for 10 years of growth in fuel requirements.

IV. FACILITY PARTICIPANTS

The Facility participants are:

Akiachak Native Community

Primary Contact Name: *George Peters, Tribal Administrator*

Phone: (907) 825-4626 Fax: (907) 825-4029

Address: P.O. Box 70, Akiachak, AK 99551

Usage: The Council will utilize its facility assets to operate its utilities.

Akiachak, Limited

Primary Contact Name: *Willie Kasayulie, President*

Phone: (907) 825-4328 Fax: (907) 825-4115

Address: P.O. Box 51010, Akiachak, AK 99551

Usage: The Corporation will utilize its facility assets to retail fuel.

Yupiiit School District

Primary Contact Names: *Joe Slats, Superintendent; Robert Helpin, Maintenance Director*

Phone: (907) 825-4428 Fax: (907) 825-4827

Address: YSD District Office, P.O. Box 51100, Akiachak, AK 99551-0100

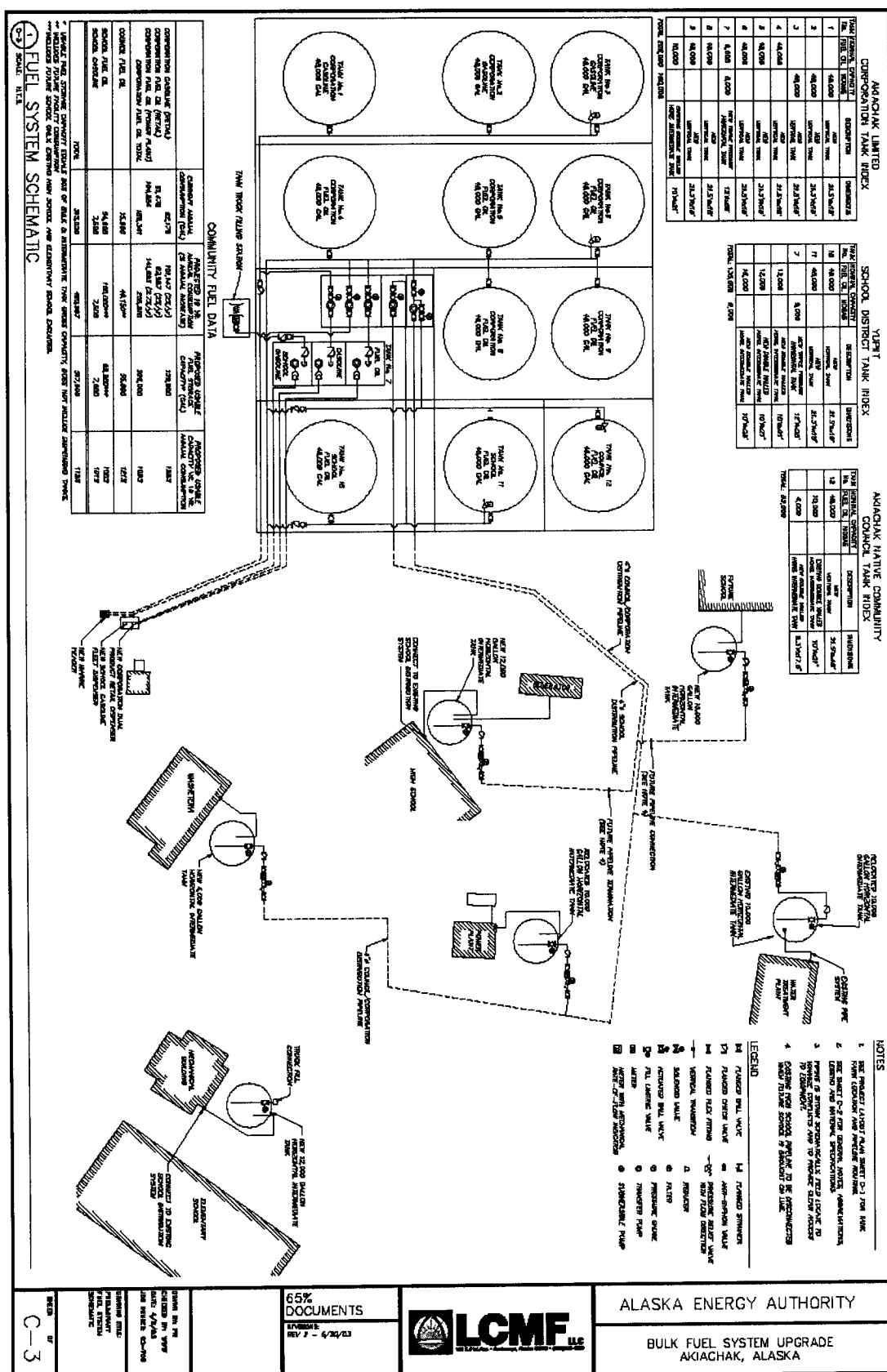
Usage: The YSD will utilize its facility assets to operate its physical plant.

The Akiachak BFU facility is organized as follows:

1. Land: Akiachak, Limited owns the land required for the project.
2. Improvements: The participants will each own their own tanks, pipes, etc that are enclosed within each secondary containment cell.
3. Common Facilities: Commonly owned facilities include fencing, liners and barge headers.
4. Right of Ways: Right of Ways, needed for the ongoing operation and maintenance of the Facility and its assets, are granted through the attached *Access, Occupancy, Operations & Maintenance Agreement and Covenants of Public Purpose and Use, and Mortgage, Security Agreement, and Fixture Filing*.
5. Primary Operator: Akiachak, Limited will be the Primary Operator (PO). The Denali Commission will select a Secondary Operator if the PO does not perform per this Plan. The PO will take care of the O&M (annual operations and maintenance, training, testing, etc) and R&R of common facilities. The PO will also collect funds from all participants to help fund O&M, insurance and R&R activities, as spelled out in the *Access, Occupancy, Operations and Maintenance Agreement*.

That specific portion of the Facility that is owned by each of these entities is defined by the following diagram:

Facility Site Plan



V. PRIMARY OPERATOR

The Primary Operator for the Akiachak Bulk Fuel Storage Facility is the Corporation. A detailed statement of qualifications for the Primary Operator is included as *Appendix A: Primary Operator Statement of Qualification*.

Turnover and Assumption of Responsibilities/Sustainability

The Facility will be turned over to the Primary Operator after the satisfactory completion, as determined by AEA or its representative, of a 14-day test period. After this test period, AEA will provide written notice (Certificate of Substantial Completion) stating that the Facility is ready for Beneficial Occupancy. Upon receipt of this Certificate, the Corporation will become the Primary Operator and will assume responsibility for the use, day-to-day operations, and long-term maintenance of all Facility components, except those noted elsewhere in the Plan.

When the Project has been completed (the Facility is complete, crews have demobilized, invoices have been paid and there are no outstanding issues), the AEA will issue through its Grants Manager a Notice of Project Completion. This Notice is included in the *Grant Agreement*; see *Additional Related and Attached Documents*.

The Primary Operator is responsible for the long-term sustainability of the Facility for the benefit of the local community. The complete Facility will be maintained according to guidelines outlined in this Plan, all manufacturers' recommendations for maintenance, and all state and federal laws, codes and regulations governing operation. The Primary Operator is responsible for the transfer of fuel and no costs for this activity are included in the Plan.

The Primary Operator is responsible to establish and manage accounts for O&M and R&R to ensure that sufficient financial resources exist to sustain the Facility as specified in the Plan.

Staffing and Training

The Primary Operator will designate an Operations and Maintenance Manager (the "Manager") for the Facility. The Manager will be the point of contact for communications between the Primary Operator, the Commission and all other interested parties. The Primary Operator will name the Manager prior to the start of operation and will inform the Commission in a timely fashion whenever a Manager is to be replaced. The Manager will manage the Primary Operator's enterprises and will be given complete responsibility for operating the Facility in compliance with this Plan.

It is recognized that there will be, from time to time, turnover in various operational, maintenance and administrative positions. Because all functions are essential to the successful operation of the Facility, replacements will be recruited and trained as necessary. The Manager will be responsible for maintaining adequate staffing and training at all times. When the Primary Operator lacks trained operators and administrative staff, training will be obtained to ensure sustained Facility operation.

The Primary Operator will utilize training programs offered by AEA, the Alaska Vocational Technical Center (AVTEC) in Seward, the Commission and other training programs.

Financial Responsibilities

There are two cost categories that will be incurred in the ongoing operation and upkeep of the Facility – O&M and R&R.

1) O&M: The Primary Operator will incur a number of expenses relating to the O&M of the Facility. O&M items are defined as expenses that are incurred on a regular basis (administration, audits, etc) and maintenance expenses that are incurred on an annual basis. O&M expenses are detailed in *Table C: Annual O&M Schedule* and a narrative detail is provided in *Section IX: Financial Information* to address estimates and assumptions. Certain Facility components are common to all Participants, and the O&M costs of these items will be properly allocated, prorated according to fuel storage capacity or as detailed in the *Access, Occupancy, Operations and Maintenance Agreement Appendix A: Participants' Operational Responsibilities*.

2) R&R: R&R costs are those expenses defined as items costing greater than \$5,000 and/or that are not incurred on an annual basis. *Table E: 40 Year R&R Schedule* details the anticipated items, the frequency of their replacement and their present day value. Certain Facility components are common to all Participants, and the R&R costs of these items shall be properly allocated, prorated according to fuel storage capacity, or as detailed in the *Access, Occupancy, Operations and Maintenance Agreement Appendix A: Participants' Operational Responsibilities*.

Participants will make annual O&M and R&R contributions on a mutually agreeable date, as specified in the attached *Access, Occupancy, Operations and Maintenance Agreement*. The contribution will be made directly to the Primary Operator, which will deposit contributions into separate accounts. The Primary Operator will maintain separate O&M and R&R accounts and will maintain a sufficient account balance to meet the O&M and R&R financial goals in this Plan. The O&M account may be an active non-interest bearing account, while the R&R account must be an interest-bearing, managed savings account, which requires two signatories and a community resolution for withdrawals. When the cash balance of the R&R account makes an escrow account more cost effective; then the R&R account must be transferred to an interest-bearing invested escrow account that is acceptable to the Denali Commission. The Manager will be authorized to draw against the O&M funds for routine expenses of the Facility, however individual expenditures in excess of \$5,000 will require the authorization of the Primary Operator's management or governing body. See *Appendix A: Statement of Qualifications* for an overview of the Primary Operator's fiscal controls and accounting procedures.

At least once a year, no later than November 30th, the Primary Operator will develop a budget for the upcoming fiscal year, January 1st through December 31st, for both O&M and R&R, and will distribute copies to each participant.

Operations and Maintenance Guidelines

The Primary Operator will establish an active non-interest bearing account for the Facility O&M so that the O&M schedule can be completed and the Facility operations can be sustained into the future. *Section IX: Financial Information* provides *Table C: Annual O&M Schedule* as a guide to plan for annual maintenance activities and *Table D: 40 Year O&M Cashflow* as a guide to estimated yearly O&M required contributions. These costs are based upon the O&M cost estimate provided by HMS, Inc, see *Appendix B: O&M and R&R Cost Estimate*.

The Primary Operator of the Facility will be responsible for the majority of the O&M of the Facility. The YSD will be responsible for the O&M of its facilities, and as such, these costs are not included as part of this Plan.

Renewal and Replacement Guidelines

The Primary Operator will establish a Bulk Fuel Facility managed savings account or interest-bearing invested escrow account acceptable to the Denali Commission, which will ensure capitalization of an amount sufficient to maintain the R&R Schedule. It is assumed that the R&R activities for Year 20 will be funded 40% from the R&R account and 60% from debt financing, at 5.5% over 10 years. *Section IX: Financial Information* provides *Table E: 40 Year R&R Schedule* as a guide to plan for annual R&R activities, *Table F: 40 Year R&R Cashflow* as a guide to estimated yearly R&R required contributions, and *Table G: Loan Schedules* as a guide to Year 20 and Year 40 R&R loan assumptions and payment schedules. These costs are based upon the R&R cost estimate provided by HMS, Inc, see *Appendix B: O&M and R&R Cost Estimate*.

When applicable, the Primary Operator will periodically remit R&R funds to the administrator of its R&R escrow account, according to guidelines to be established by the Denali Commission. Management and other fees charged by the escrow fund administrator will be automatically deducted from the Primary Operator's R&R escrow account, according to an Escrow Agreement or other similar document.

The Participants will use the estimates in this Plan for year one contributions, and in subsequent years will recalculate contributions based upon assets to be maintained as actually built.

Audits and Reporting

The Primary Operator will arrange for an annual financial reconciliatory audit that is conducted by qualified, independent auditors at their office. The auditors will not travel to Akiachak unless the Primary Operator requests an on-site audit. The Primary Operator will provide an annual report of operations to the Commission that includes a summary description of O&M and R&R projects, annual O&M and R&R budgets and expenditures, a projection of future O&M and R&R cash flows, and any other information appropriate to the Facility. The Commission will review the reports and the annual financial reconciliatory audits of Facility operations and will actively monitor the Primary Operator's ability to operate consistent with guidelines outlined in this Plan. The Commission has reserved the right to visit the site and to access all books and records related to the Facility at any time upon written request.

VI. SECONDARY OPERATOR

The Secondary Operator for the Akiachak Bulk Fuel Facility project will be determined in the future by the Denali Commission, if the need arises. See the attached Secondary Operator Agreement for details.

VII. INSURANCE

The Primary Operator is required to be insured for General Liability Insurance, which is estimated to be 10 cents/gallon. The Primary Operator will include the cost of General Liability Insurance in the annual O&M costs.

The Yupiit School District is considered self-insured and thus will not contribute to any insurance costs for its facilities.

VIII. REGULATORY COMPLIANCE

The Primary Operator is responsible for ensuring the operation and maintenance of the storage tanks and transfer systems that they own and operate are compliant with state and federal requirements. The Primary Operator shall comply with the procedures established in the spill prevention and response plans listed below and will maintain and be familiar with the following regulatory plans:

- US Coast Guard Facility Response Plan (33 CFR Part 154)/EPA Facility Response Plan (40 CFR Part 112) – This plan establishes spill response procedures and organization for the tank farm. It commits the Participants to maintain adequate spill response equipment and to conduct annual training and drill programs.
- US Coast Guard Operations Manual (33 CFR Part 154) – This plan describes the required procedures to be followed by each Participant when off-loading fuel from marine vessels to the tank farm.
- US Environmental Protection Agency (EPA) Spill Prevention Control and Countermeasures Plan (SPCC) (40 CFR Part 112) – This plan confirms compliance of the Facility with the spill prevention and operating requirements of 40 CFR Part 112. A Registered Professional Engineer must certify the plan.

These plans include commitments and guidelines for spill prevention, response, and other related environmental information to ensure the environmental integrity of the Facility and the community. The plans will be developed near the end of tank farm construction. The Primary Operator will participate in development and review of the plans as requested. Estimated expenses have been provided herein and include the anticipated costs of implementing the plans, ensuring the reliability of the spill response equipment, maintaining the proper records, and conducting periodic spill drills.

The Primary Operator shall ensure the plans are approved, maintained, and updated in accordance with Coast Guard and EPA requirements described in the plans.

IX. FINANCIAL INFORMATION

All estimates and assumptions contained in this Plan are intended for the first year of facility operation. Starting with the second year, as operating experience specific to this Facility is obtained, the projections and assumptions upon which the Plan is based will be reviewed and modified.

Key Financial Assumptions

- Annual inflation rate of 1.5%.
- Annual investment rate of 3%.
- Insurance is estimated to be 10 cents/gallon based on the year one Council and Corporation throughput with subsequent years inflated at 1.5%.
- Akiachak Native Community/Akiachak, Limited Year 20 R&R activities will be funded 40% from the R&R account and 60% from debt financing, at 5.5% over 10 years.
- R&R funds may be deposited into an interest bearing invested escrow account. Fees are assumed to be 1% beginning in the end the escrow balance reaches \$100,000.
- Detailed assumptions regarding labor rates, required labor hours, and other operating costs are provided in the tables that follow.
- Existing debt, or other obligations, of the bulk fuel Facility are not included in this Plan.

Key Operating Assumptions

- YSD is assumed to be responsible for the O&M and R&R of its own facilities.
- YSD will pay its proportionate share of O&M costs and R&R costs of Common Facilities.
- O&M and R&R Expenses associated with Common Facilities will be allocated to each participant based on its share of installed primary storage capacity or as detailed in the *Access, Occupancy, Operations and Maintenance Agreement Appendix A: Participants' Operational Responsibilities*.
- Retail financial operations, or its profits, are not included in the Plan.
- Initial annual throughput estimates: Council 15,000 gallons diesel; Corporation 84,397 gallons gasoline and 170,562 gallons diesel; YSD 100,000 gallons diesel and 7,500 gallons gasoline.
- Throughput for years 1-10 is estimated to grow annually at a rate of 13.3% for Council consumption, 2.7% for Corporation diesel consumption and 2.0% for gasoline consumption; and to remain constant for YSD consumption; and for years 11+ to grow annually at 1.5% except for YSD consumption, which is estimated to remain constant.

Explanation of Financial Terms

- Common Assets – Facility assets common to all Participants, which are shared proportionately.
- Proprietary Assets – Facility assets that are owned by individual Participants and not shared among the Participants.
- Primary Operator Assets – The combination of Proprietary Assets owned by the Primary Operator and Common Assets that are the responsibility of the Primary Operator.
- Throughput – The annual estimated gallons of fuel that will flow through the Facility.

Bulk Fuel Facility Funding

This Plan is not a commitment to provide project funding.

Subsequent Operating Year Revisions

Starting with the second year, as operating experience specific to this Facility is obtained, the projections and assumptions upon which the Plan is based will be reviewed and modified. The following guidelines are for use in subsequent operating years in updating and modifying plan projections and assumptions:

- Step 1:* Review previous years' O&M and R&R costs and compare to current projections
- Step 2:* Adjust O&M and R&R projections and assumptions based upon actual experience
- Step 3:* Recalculate Participant Share of annual O&M costs
- Step 4:* Recalculate Council and Corporation per gallon O&M costs based upon updated throughput estimates, while the YSD should recalculate their O&M costs
- Step 5:* Recalculate Participant payments to R&R Fund
- Step 6:* Recalculate Council and Corporation per gallon R&R costs based upon updated throughput estimates, while the YSD should recalculate their R&R costs
- Step 7:* Recalculate total Council and Corporation per gallon fuel costs

TABLE A
Summary of Facility Expenses to Participants

Year	Akiachak Native Community						Akiachak Limited						Yupit School District					
	O&M			R&R			O&M			R&R			O&M			R&R		
	Annual Payments	\$S Per Gallon	Total Payments	Annual Payments	\$S Per Gallon	Total Per Gallon	Annual Payments	\$S Per Gallon	Total Payments	Annual Payments	\$S Per Gallon	Total Per Gallon	Annual Payments	\$S Per Gallon	Total Payments	Annual Payments	\$S Per Gallon	Total Per Gallon
1	\$ 4,270	\$ 0.112	\$ 8,450	\$ 4,180	\$ 0.110	\$ 8,450	\$ 36,137	\$ 0.148	\$ 56,469	\$ 20,332	\$ 0.083	\$ 56,469	\$ 3,693	\$ 0.034	\$ 7,778	\$ 4,085	\$ 0.038	\$ 7,778
2	\$ 4,335	\$ 0.112	\$ 8,691	\$ 4,356	\$ 0.112	\$ 8,691	\$ 36,679	\$ 0.146	\$ 57,927	\$ 21,248	\$ 0.085	\$ 57,927	\$ 3,748	\$ 0.035	\$ 7,833	\$ 4,085	\$ 0.039	\$ 7,833
3	\$ 4,400	\$ 0.111	\$ 8,939	\$ 4,540	\$ 0.114	\$ 8,939	\$ 37,229	\$ 0.145	\$ 59,435	\$ 22,206	\$ 0.086	\$ 59,435	\$ 3,804	\$ 0.035	\$ 7,889	\$ 4,085	\$ 0.040	\$ 7,889
4	\$ 4,466	\$ 0.110	\$ 9,196	\$ 4,731	\$ 0.117	\$ 9,196	\$ 37,788	\$ 0.143	\$ 60,995	\$ 23,208	\$ 0.088	\$ 60,995	\$ 3,861	\$ 0.036	\$ 7,946	\$ 4,085	\$ 0.040	\$ 7,946
5	\$ 4,533	\$ 0.109	\$ 9,463	\$ 4,930	\$ 0.119	\$ 9,463	\$ 38,354	\$ 0.142	\$ 62,609	\$ 24,255	\$ 0.090	\$ 62,609	\$ 3,919	\$ 0.036	\$ 8,003	\$ 4,494	\$ 0.041	\$ 8,003
6	\$ 4,601	\$ 0.109	\$ 9,739	\$ 5,138	\$ 0.121	\$ 9,739	\$ 38,930	\$ 0.141	\$ 64,279	\$ 25,349	\$ 0.092	\$ 64,279	\$ 3,978	\$ 0.037	\$ 8,061	\$ 4,494	\$ 0.042	\$ 8,061
7	\$ 4,670	\$ 0.108	\$ 10,024	\$ 5,354	\$ 0.124	\$ 10,024	\$ 39,514	\$ 0.139	\$ 66,007	\$ 26,493	\$ 0.093	\$ 66,007	\$ 4,038	\$ 0.038	\$ 8,119	\$ 4,494	\$ 0.043	\$ 8,119
8	\$ 4,740	\$ 0.107	\$ 10,320	\$ 5,580	\$ 0.126	\$ 10,320	\$ 40,106	\$ 0.138	\$ 67,796	\$ 27,689	\$ 0.095	\$ 67,796	\$ 4,098	\$ 0.038	\$ 8,177	\$ 4,494	\$ 0.044	\$ 8,177
9	\$ 4,811	\$ 0.107	\$ 10,626	\$ 5,815	\$ 0.129	\$ 10,626	\$ 40,708	\$ 0.137	\$ 69,648	\$ 28,940	\$ 0.097	\$ 69,648	\$ 4,160	\$ 0.039	\$ 8,235	\$ 4,494	\$ 0.045	\$ 8,235
10	\$ 4,883	\$ 0.106	\$ 10,943	\$ 6,060	\$ 0.131	\$ 10,943	\$ 41,319	\$ 0.136	\$ 71,566	\$ 30,247	\$ 0.099	\$ 71,566	\$ 4,222	\$ 0.039	\$ 8,293	\$ 4,494	\$ 0.045	\$ 8,293
11	\$ 4,956	\$ 0.106	\$ 11,230	\$ 6,274	\$ 0.134	\$ 11,230	\$ 41,938	\$ 0.136	\$ 73,523	\$ 31,315	\$ 0.101	\$ 73,523	\$ 4,285	\$ 0.040	\$ 8,351	\$ 4,943	\$ 0.046	\$ 8,351
12	\$ 5,030	\$ 0.106	\$ 11,526	\$ 6,496	\$ 0.137	\$ 11,526	\$ 42,568	\$ 0.136	\$ 75,488	\$ 32,420	\$ 0.103	\$ 75,488	\$ 4,350	\$ 0.040	\$ 8,409	\$ 4,943	\$ 0.047	\$ 8,409
13	\$ 5,106	\$ 0.106	\$ 11,831	\$ 6,725	\$ 0.140	\$ 11,831	\$ 43,206	\$ 0.136	\$ 77,449	\$ 33,564	\$ 0.105	\$ 77,449	\$ 4,415	\$ 0.041	\$ 8,467	\$ 4,943	\$ 0.048	\$ 8,467
14	\$ 5,182	\$ 0.106	\$ 12,145	\$ 6,962	\$ 0.142	\$ 12,145	\$ 43,854	\$ 0.136	\$ 79,410	\$ 34,749	\$ 0.107	\$ 79,410	\$ 4,481	\$ 0.042	\$ 8,525	\$ 4,943	\$ 0.049	\$ 8,525
15	\$ 5,260	\$ 0.106	\$ 12,468	\$ 7,208	\$ 0.145	\$ 12,468	\$ 44,512	\$ 0.136	\$ 81,371	\$ 35,976	\$ 0.110	\$ 81,371	\$ 4,548	\$ 0.042	\$ 8,583	\$ 4,943	\$ 0.050	\$ 8,583
16	\$ 5,339	\$ 0.106	\$ 12,802	\$ 7,463	\$ 0.148	\$ 12,802	\$ 45,180	\$ 0.136	\$ 83,332	\$ 37,246	\$ 0.112	\$ 83,332	\$ 4,617	\$ 0.043	\$ 8,641	\$ 5,437	\$ 0.051	\$ 8,641
17	\$ 5,419	\$ 0.106	\$ 13,145	\$ 7,726	\$ 0.151	\$ 13,145	\$ 45,857	\$ 0.136	\$ 85,293	\$ 38,561	\$ 0.114	\$ 85,293	\$ 4,686	\$ 0.044	\$ 8,699	\$ 5,437	\$ 0.052	\$ 8,699
18	\$ 5,500	\$ 0.106	\$ 13,499	\$ 7,999	\$ 0.154	\$ 13,499	\$ 46,545	\$ 0.136	\$ 87,254	\$ 39,922	\$ 0.116	\$ 87,254	\$ 4,756	\$ 0.044	\$ 8,757	\$ 5,437	\$ 0.053	\$ 8,757
19	\$ 5,583	\$ 0.106	\$ 13,864	\$ 8,281	\$ 0.157	\$ 13,864	\$ 47,243	\$ 0.136	\$ 89,215	\$ 41,331	\$ 0.119	\$ 89,215	\$ 4,828	\$ 0.045	\$ 8,815	\$ 5,437	\$ 0.054	\$ 8,815
20	\$ 5,667	\$ 0.106	\$ 14,240	\$ 8,573	\$ 0.160	\$ 14,240	\$ 47,952	\$ 0.136	\$ 91,176	\$ 42,790	\$ 0.121	\$ 91,176	\$ 4,900	\$ 0.046	\$ 8,873	\$ 5,881	\$ 0.055	\$ 8,873
21	\$ 5,752	\$ 0.106	\$ 14,628	\$ 8,876	\$ 0.163	\$ 14,628	\$ 48,671	\$ 0.136	\$ 93,137	\$ 44,301	\$ 0.123	\$ 93,137	\$ 4,973	\$ 0.046	\$ 8,931	\$ 5,881	\$ 0.056	\$ 8,931
22	\$ 5,838	\$ 0.106	\$ 15,027	\$ 9,189	\$ 0.167	\$ 15,027	\$ 49,401	\$ 0.136	\$ 95,098	\$ 45,864	\$ 0.126	\$ 95,098	\$ 5,048	\$ 0.047	\$ 8,989	\$ 5,881	\$ 0.058	\$ 8,989
23	\$ 5,926	\$ 0.106	\$ 15,439	\$ 9,514	\$ 0.170	\$ 15,439	\$ 50,142	\$ 0.136	\$ 97,059	\$ 47,483	\$ 0.128	\$ 97,059	\$ 5,124	\$ 0.048	\$ 9,047	\$ 5,881	\$ 0.059	\$ 9,047
24	\$ 6,014	\$ 0.106	\$ 15,864	\$ 9,850	\$ 0.173	\$ 15,864	\$ 50,895	\$ 0.136	\$ 99,020	\$ 49,160	\$ 0.131	\$ 99,020	\$ 5,201	\$ 0.048	\$ 9,105	\$ 5,881	\$ 0.060	\$ 9,105
25	\$ 6,105	\$ 0.106	\$ 16,302	\$ 10,197	\$ 0.177	\$ 16,302	\$ 51,658	\$ 0.136	\$ 100,981	\$ 50,895	\$ 0.134	\$ 100,981	\$ 5,279	\$ 0.049	\$ 9,163	\$ 6,579	\$ 0.061	\$ 9,163
26	\$ 6,196	\$ 0.106	\$ 16,753	\$ 10,557	\$ 0.180	\$ 16,753	\$ 52,433	\$ 0.136	\$ 102,942	\$ 52,692	\$ 0.136	\$ 102,942	\$ 5,358	\$ 0.050	\$ 9,221	\$ 6,579	\$ 0.062	\$ 9,221
27	\$ 6,289	\$ 0.106	\$ 17,219	\$ 10,930	\$ 0.184	\$ 17,219	\$ 53,219	\$ 0.136	\$ 104,903	\$ 54,552	\$ 0.139	\$ 104,903	\$ 5,438	\$ 0.051	\$ 9,279	\$ 6,579	\$ 0.064	\$ 9,279
28	\$ 6,384	\$ 0.106	\$ 17,699	\$ 11,316	\$ 0.188	\$ 17,699	\$ 54,018	\$ 0.136	\$ 106,864	\$ 56,477	\$ 0.142	\$ 106,864	\$ 5,520	\$ 0.051	\$ 9,337	\$ 6,579	\$ 0.065	\$ 9,337
29	\$ 6,479	\$ 0.106	\$ 18,194	\$ 11,715	\$ 0.192	\$ 18,194	\$ 54,828	\$ 0.136	\$ 108,825	\$ 58,471	\$ 0.145	\$ 108,825	\$ 5,603	\$ 0.052	\$ 9,395	\$ 6,579	\$ 0.066	\$ 9,395
30	\$ 6,576	\$ 0.106	\$ 18,705	\$ 12,129	\$ 0.195	\$ 18,705	\$ 55,650	\$ 0.136	\$ 110,786	\$ 60,535	\$ 0.147	\$ 110,786	\$ 5,687	\$ 0.053	\$ 9,453	\$ 6,579	\$ 0.067	\$ 9,453
31	\$ 6,675	\$ 0.106	\$ 19,232	\$ 12,557	\$ 0.199	\$ 19,232	\$ 56,485	\$ 0.136	\$ 112,747	\$ 62,672	\$ 0.150	\$ 112,747	\$ 5,772	\$ 0.054	\$ 9,511	\$ 6,579	\$ 0.069	\$ 9,511
32	\$ 6,775	\$ 0.106	\$ 19,775	\$ 13,000	\$ 0.203	\$ 19,775	\$ 57,332	\$ 0.136	\$ 114,708	\$ 64,884	\$ 0.153	\$ 114,708	\$ 5,858	\$ 0.054	\$ 9,569	\$ 6,579	\$ 0.070	\$ 9,569
33	\$ 6,877	\$ 0.106	\$ 20,336	\$ 13,459	\$ 0.207	\$ 20,336	\$ 58,192	\$ 0.136	\$ 116,669	\$ 67,174	\$ 0.156	\$ 116,669	\$ 5,946	\$ 0.055	\$ 9,627	\$ 6,579	\$ 0.072	\$ 9,627
34	\$ 6,980	\$ 0.106	\$ 20,914	\$ 13,934	\$ 0.211	\$ 20,914	\$ 59,065	\$ 0.136	\$ 118,630	\$ 69,546	\$ 0.160	\$ 118,630	\$ 6,036	\$ 0.056	\$ 9,685	\$ 6,579	\$ 0.073	\$ 9,685
35	\$ 7,085	\$ 0.106	\$ 21,511	\$ 14,426	\$ 0.216	\$ 21,511	\$ 59,951	\$ 0.136	\$ 120,591	\$ 72,001	\$ 0.163	\$ 120,591	\$ 6,126	\$ 0.057	\$ 9,743	\$ 7,237	\$ 0.075	\$ 9,743
36	\$ 7,191	\$ 0.106	\$ 22,126	\$ 14,935	\$ 0.220	\$ 22,126	\$ 60,850	\$ 0.136	\$ 122,552	\$ 74,542	\$ 0.166	\$ 122,552	\$ 6,218	\$ 0.058	\$ 9,801	\$ 7,237	\$ 0.076	\$ 9,801
37	\$ 7,299	\$ 0.106	\$ 22,761	\$ 15,462	\$ 0.224	\$ 22,761	\$ 61,763	\$ 0.136	\$ 124,513	\$ 77,174	\$ 0.169	\$ 124,513	\$ 6,311	\$ 0.059	\$ 9,859	\$ 7,237	\$ 0.078	\$ 9,859
38	\$ 7,408	\$ 0.106	\$ 23,417	\$ 16,008	\$ 0.229	\$ 23,417	\$ 62,690	\$ 0.136	\$ 126,474	\$ 79,898	\$ 0.173	\$ 126,474	\$ 6,406	\$ 0.060	\$ 9,917	\$ 7,237	\$ 0.079	\$ 9,917
39	\$ 7,519	\$ 0.106	\$ 24,093	\$ 16,573	\$ 0.233	\$ 24,093	\$ 63,630	\$ 0.136	\$ 128,435	\$ 82,718	\$ 0.176	\$ 128,435	\$ 6,502	\$ 0.060	\$ 9,975	\$ 7,237	\$ 0.081	\$ 9,975
40	\$ 7,632	\$ 0.106	\$ 24,791	\$ 17,158	\$ 0.238	\$ 24,791	\$ 64,584	\$ 0.136	\$ 130,396	\$ 85,638	\$ 0.180	\$ 130,396	\$ 6,600	\$ 0.061	\$ 10,033	\$ 7,237	\$ 0.082	\$ 10,033

TABLE B
PARTICIPANT ALLOCATION

	Council	Corporation	YSD	Total
Primary Capacity (Net)				
	Gallons	364,800	129,600	550,200
	Percentage	66.3%	23.6%	100%
Initial Throughput Volumes				
	Gallons	244,960	107,500	390,460
	Percentage	62.7%	27.5%	100%
% Share of O&M and R&R on Common Assets (based upon Primary Capacity)				
	10.1%	66.3%	23.6%	100%

TABLE C
ANNUAL O&M COSTS

Annual O&M Costs				
	Council	Corporation	YSD	Total
Annual O&M Expenses (per HMS cost estimate)	\$ 370	\$ 10,981	\$ 3,453	\$ 14,804
Common Power Costs (estimate)	\$ 100	\$ 660	\$ 240	\$ 1,000
Insurance (.10/gal based on throughput)	\$ 3,800	\$ 24,496	\$ -	\$ 28,296
	\$ 4,270	\$ 36,137	\$ 3,693	\$ 44,100

TABLE D
40 YEAR "O and M" CASHFLOW

Inflation Rate	Initial Throughput - Gallons:				Throughput Growth Rate:			
	Council				Council			
	Corporation:				Corporation:			
	YSD:				YSD:			
1.5%	38,080	Diesel Consumption	160,562	Diesel Consumption	2.17%	1.50%	2.70%	1.50%
	84,397	Diesel Consumption	160,562	Diesel Consumption	2.00%	1.50%		1.50%
	107,500	Gasoline Consumption	84,397	Gasoline Consumption	0.00%	0.00%		0.00%
		Total Consumption:	107,500	Total Consumption:				

Year	Annual O&M Expense				Assumed Throughput (Gallons)				Per Gallon O&M Payment			
	Council	Corporation	YSD	Total	Council	Corporation		YSD	Council	Corporation	YSD	
						Diesel Consumption	Gasoline Consumption	Total				
1	\$ 4,270	\$ 36,137	\$ 3,693	\$ 44,100	38,000	160,562	84,397	244,959	\$ 0.112	\$ 0.148	\$ 0.034	
2	\$ 4,335	\$ 36,679	\$ 3,748	\$ 44,762	38,825	164,897	86,085	250,982	\$ 0.112	\$ 0.146	\$ 0.035	
3	\$ 4,400	\$ 37,229	\$ 3,804	\$ 45,433	39,667	169,350	87,806	257,156	\$ 0.111	\$ 0.145	\$ 0.035	
4	\$ 4,466	\$ 37,788	\$ 3,861	\$ 46,115	40,528	173,922	89,563	263,485	\$ 0.110	\$ 0.143	\$ 0.036	
5	\$ 4,533	\$ 38,354	\$ 3,919	\$ 46,806	41,407	178,618	91,354	269,972	\$ 0.109	\$ 0.142	\$ 0.036	
6	\$ 4,601	\$ 38,930	\$ 3,978	\$ 47,508	42,306	183,441	93,181	276,622	\$ 0.109	\$ 0.141	\$ 0.037	
7	\$ 4,670	\$ 39,514	\$ 4,038	\$ 48,221	43,224	188,394	95,045	283,438	\$ 0.108	\$ 0.139	\$ 0.038	
8	\$ 4,740	\$ 40,106	\$ 4,098	\$ 48,944	44,162	193,480	96,945	290,426	\$ 0.107	\$ 0.138	\$ 0.038	
9	\$ 4,811	\$ 40,708	\$ 4,160	\$ 49,678	45,120	198,704	98,884	297,588	\$ 0.107	\$ 0.137	\$ 0.039	
10	\$ 4,883	\$ 41,319	\$ 4,222	\$ 50,424	46,099	204,069	100,862	304,931	\$ 0.106	\$ 0.136	\$ 0.039	
11	\$ 4,956	\$ 41,938	\$ 4,285	\$ 51,180	46,791	207,130	102,375	309,505	\$ 0.106	\$ 0.136	\$ 0.040	
12	\$ 5,030	\$ 42,568	\$ 4,350	\$ 51,948	47,493	210,237	103,911	314,148	\$ 0.106	\$ 0.136	\$ 0.040	
13	\$ 5,106	\$ 43,206	\$ 4,415	\$ 52,727	48,205	213,391	105,469	318,860	\$ 0.106	\$ 0.136	\$ 0.041	
14	\$ 5,182	\$ 43,854	\$ 4,481	\$ 53,518	48,928	216,592	107,051	323,643	\$ 0.106	\$ 0.136	\$ 0.042	
15	\$ 5,260	\$ 44,512	\$ 4,548	\$ 54,321	49,662	219,840	108,657	328,497	\$ 0.106	\$ 0.136	\$ 0.042	
16	\$ 5,339	\$ 45,180	\$ 4,617	\$ 55,135	50,407	223,138	110,287	333,425	\$ 0.106	\$ 0.136	\$ 0.043	
17	\$ 5,419	\$ 45,857	\$ 4,686	\$ 55,962	51,163	226,485	111,941	338,426	\$ 0.106	\$ 0.136	\$ 0.044	
18	\$ 5,500	\$ 46,545	\$ 4,756	\$ 56,802	51,930	229,882	113,620	343,503	\$ 0.106	\$ 0.136	\$ 0.044	
19	\$ 5,583	\$ 47,243	\$ 4,828	\$ 57,654	52,709	233,331	115,325	348,655	\$ 0.106	\$ 0.136	\$ 0.045	
20	\$ 5,667	\$ 47,952	\$ 4,900	\$ 58,519	53,500	236,831	117,054	353,885	\$ 0.106	\$ 0.136	\$ 0.046	
21	\$ 5,752	\$ 48,671	\$ 4,973	\$ 59,396	54,303	240,383	118,810	359,193	\$ 0.106	\$ 0.136	\$ 0.046	
22	\$ 5,838	\$ 49,401	\$ 5,048	\$ 60,287	55,117	243,989	120,592	364,581	\$ 0.106	\$ 0.136	\$ 0.047	
23	\$ 5,926	\$ 50,142	\$ 5,124	\$ 61,192	55,944	247,649	122,401	370,050	\$ 0.106	\$ 0.136	\$ 0.048	
24	\$ 6,014	\$ 50,895	\$ 5,201	\$ 62,110	56,783	251,363	124,237	375,601	\$ 0.106	\$ 0.136	\$ 0.048	
25	\$ 6,105	\$ 51,658	\$ 5,279	\$ 63,041	57,635	255,134	126,101	381,235	\$ 0.106	\$ 0.136	\$ 0.049	
26	\$ 6,196	\$ 52,433	\$ 5,358	\$ 63,987	58,499	258,961	127,992	386,953	\$ 0.106	\$ 0.136	\$ 0.050	
27	\$ 6,289	\$ 53,219	\$ 5,438	\$ 64,947	59,377	262,845	129,912	392,757	\$ 0.106	\$ 0.136	\$ 0.051	
28	\$ 6,384	\$ 54,018	\$ 5,520	\$ 65,921	60,267	266,788	131,861	398,649	\$ 0.106	\$ 0.136	\$ 0.051	
29	\$ 6,479	\$ 54,828	\$ 5,603	\$ 66,910	61,171	270,790	133,839	404,629	\$ 0.106	\$ 0.136	\$ 0.052	
30	\$ 6,576	\$ 55,650	\$ 5,687	\$ 67,913	62,089	274,852	135,846	410,698	\$ 0.106	\$ 0.136	\$ 0.053	
31	\$ 6,675	\$ 56,485	\$ 5,772	\$ 68,932	63,020	278,974	137,884	416,858	\$ 0.106	\$ 0.136	\$ 0.054	
32	\$ 6,775	\$ 57,332	\$ 5,858	\$ 69,966	63,966	283,159	139,952	423,111	\$ 0.106	\$ 0.136	\$ 0.055	
33	\$ 6,877	\$ 58,192	\$ 5,946	\$ 71,015	64,925	287,406	142,052	429,458	\$ 0.106	\$ 0.136	\$ 0.055	
34	\$ 6,980	\$ 59,065	\$ 6,036	\$ 72,081	65,899	291,717	144,183	435,900	\$ 0.106	\$ 0.136	\$ 0.056	
35	\$ 7,085	\$ 59,951	\$ 6,126	\$ 73,162	66,888	296,093	146,345	442,438	\$ 0.106	\$ 0.136	\$ 0.057	
36	\$ 7,191	\$ 60,850	\$ 6,218	\$ 74,259	67,891	300,535	148,540	449,075	\$ 0.106	\$ 0.136	\$ 0.058	
37	\$ 7,299	\$ 61,763	\$ 6,311	\$ 75,373	68,909	305,043	150,769	455,811	\$ 0.106	\$ 0.136	\$ 0.059	
38	\$ 7,408	\$ 62,690	\$ 6,406	\$ 76,504	69,943	309,618	153,030	462,648	\$ 0.106	\$ 0.136	\$ 0.060	
39	\$ 7,519	\$ 63,630	\$ 6,502	\$ 77,651	70,992	314,262	155,326	469,588	\$ 0.106	\$ 0.136	\$ 0.060	
40	\$ 7,632	\$ 64,584	\$ 6,600	\$ 78,816	72,057	318,976	157,655	476,632	\$ 0.106	\$ 0.136	\$ 0.061	

TABLE E
40 YEAR "R and R" SCHEDULE

Year of Activity	R&R Activity	Present Day Value	Inflated Value	Yearly Inflated Total	Cost Allocation			Interval (Years)
					Council & Common	Corp & Common	YSD Common Only	
5	Repair Steps/Landing/Enclosure	\$ 6,663	\$ 7,072	\$ 13,207	\$ 711	\$ 4,662	\$ 1,699	
	Electrical Upgrade	5,780	6,135	568		3,295	2,272	
10	Fence/Gates Upgrade	\$ 6,977	\$ 7,977	\$ 808	\$ 5,262	\$ 1,907		
	Repair Steel Dike	8,930	10,211	1,020	6,741	2,450		
	Pump Replacement	8,268	9,453	1,409	8,044	-		
	Valve Replacement	7,535	8,616	2,360	6,256	-		
	Repair Fill Lines	5,297	6,057	1,406	3,271	1,380		
	Electrical Upgrade	5,780	6,609	612	3,550	2,447		
	Replace Dispenser	20,000	22,868	-	22,868	-		
	Tank Inspection	7,000	8,004	\$ 79,794	6,260	-		
15	Repair Steps/Landing/Enclosure	\$ 6,663	\$ 8,208	\$ 825	\$ 5,411	\$ 1,972		
	Electrical Upgrade	5,780	7,120	659	3,825	2,636		
20	Fence/Gate Replacement	\$ 23,820	\$ 31,608	\$ 3,513	\$ 20,662	\$ 7,433		
	Major Repair Framing/Piling	108,041	143,366	14,338	94,624	34,404		
	Replace Steps/Grating/Enclosure	38,514	51,106	5,139	33,690	12,277		
	Major Repair Steel Dike	34,779	46,150	4,609	30,467	11,074		
	Pump Replacement	8,268	10,971	1,635	9,336	-		
	Valve Replacement	7,535	9,999	2,739	7,260	-		
	Major Electrical	30,700	40,737	5,839	34,898	-		
	Replace Dispenser	20,000	26,539	-	26,539	-		
	Replace Pipelines	171,615	227,725	64,203	144,542	18,980		
	Tank Inspection	7,000	9,289	2,024	7,265	-		
25	Repair Steps/Landing/Enclosure	\$ 6,663	\$ 9,525	\$ 958	\$ 6,279	\$ 2,288		
	Electrical Upgrade	5,780	8,263	765	4,438	3,060		
30	Fence/Gates Upgrade	\$ 6,977	\$ 10,744	\$ 1,088	\$ 7,087	\$ 2,569		
	Repair Steel Dike	8,930	13,752	1,373	9,079	3,300		
	Pump Replacement	8,268	12,732	1,897	10,835	-		
	Valve Replacement	7,535	11,604	3,179	8,425	-		
	Repair Fill Lines	5,297	8,158	1,894	4,405	1,859		
	Electrical Upgrade	5,780	8,901	824	4,782	3,295		
	Replace Dispenser	20,000	30,800	-	30,800	-		
	Tank Inspection	7,000	10,780	2,348	8,432	-		
35	Repair Steps/Landing/Enclosure	\$ 6,663	\$ 11,054	\$ 1,112	\$ 9,942	\$ 3,550		
	Electrical Upgrade	5,780	9,589	888	5,151	-		
40	Fence/Gate Replacement	\$ 23,820	\$ 42,572	\$ 4,732	\$ 27,828	\$ 10,012		
	Major Repair Framing/Piling	108,041	193,093	19,311	127,445	46,337		
	Replace Steps/Grating/Enclosure	38,514	68,833	6,922	45,376	16,535		
	Major Repair Steel Dike	69,558	124,315	12,416	82,070	29,829		
	Pump Replacement	8,268	14,776	2,202	12,574	-		
	Valve Replacement	7,535	13,467	3,689	9,778	-		
	Major Electrical	30,700	54,867	7,864	47,003	-		
	Replace Dispenser	20,000	35,744	-	35,744	-		
	Replace Tanks	648,008	1,158,126	161,854	996,272	-		
	Replace Pipelines	171,615	306,712	86,473	194,676	25,563		
		\$ 1,765,680	\$ 2,864,225	\$ 437,950	\$ 2,177,149	\$ 249,126		

Inflation Rate 1.5%

R&R Activities:	Cost Category	Council	Corporation	YSD	Interval (Years)
Fence/Gates Upgrade	B1A	\$ 707	\$ 4,602	\$ 1,668	10/30
Fence/Gate Replacement	C1A	\$ 2,648	\$ 15,570	\$ 5,602	20/40
Major Repair Framing/Piling	3	\$ 10,805	\$ 71,310	\$ 25,927	20/40
Repair Steps/Landing/Enclosure	4	\$ 670	\$ 4,393	\$ 1,601	5/15/25/35
Replace Steps/Grating/Enclosure	C1B	\$ 3,673	\$ 25,389	\$ 9,252	20/40
Repair Steel Dike	2	\$ 892	\$ 5,895	\$ 2,143	10/30
Major Repair Steel Dike	5	\$ 3,473	\$ 22,960	\$ 8,345	20
	5	\$ 6,947	\$ 45,921	\$ 16,690	40
Pump Replacement	B2A	\$ 1,252	\$ 7,036	\$ -	10/20/30/40
Valve Replacement	B2A	\$ 2,064	\$ 5,471	\$ -	10/20/30/40
Electrical Upgrade	B3	\$ 535	\$ 3,105	\$ 2,140	5/10/15/25/30/35
Major Electrical	C3	\$ 4,400	\$ 26,300	\$ -	20/40
Replace Dispenser	6	\$ -	\$ 20,000	\$ -	10/20/30/40
Replace Tanks	7	\$ 90,563	\$ 557,445	\$ 1,207	40
Repair Fill Lines	B2B	\$ 1,230	\$ 2,860	\$ -	10/30
Replace Pipelines	8	\$ 48,384	\$ 108,927	\$ 14,304	20/40
Tank Inspection	C2C	\$ 1,525	\$ 5,475	\$ -	10/20/30

Variances from HMS Cost Estimate:

- Boardwalk replacement and repaired eliminated due to lack of boardwalks in project
- Framing/Piling Upgrade eliminated
- Major Repair Framing/Piling reduced by 50% per occurrence
- Repair Steps/Landing Enclosure reduced by 75% per occurrence
- Major Repair Steel Dike Year 20 reduced by 50 %
- Replace Dispenser reduced to \$20,000 per occurrence
- Replace Tanks reduced by 30% per occurrence
- Replace Pipelines reduced by 50% per occurrence

TABLE F
40 YEAR RENEWAL AND REPLACEMENT CASHFLOW

Inflation Rate: 1.50%	Council	Initial Cost per gallon (\$/gallon): \$ 0.110
Reinvestment Rate: 3.00%	Corporation	Annual increase: 2.00%
Escrow Fees: 1.00%		
Loan Rate: 5.50%	Council	Initial Throughput (gallons): 36,000
Loan Term: 10 Years	Corporation	Initial Throughput (gallons): 244,960
	YSD	Initial Throughput (gallons): 107,500
		Annual increase: 2.00%
		Initial Cost per gallon (\$/gallon): \$ 0.038
		Annual increase: 2.00%

Year	R & R Fund Balance				Assumed Throughput (Gallons)				Per Gallon Payment			
	Beg. of Year Balance	Annual Deposit			Principal Received	Debt Service	Renewals/ Replacements	Interest Earnings (Net of Fees)	End of Year Balance	Council	Corporation	YSD
		Council	Corporation	YSD								
1	\$ 28,597	\$ 4,180	\$ 20,332	\$ 4,085	\$ 28,597	\$ -	\$ -	\$ -	\$ 28,597	38,000	244,959	107,500
2	\$ 28,597	\$ 4,356	\$ 21,248	\$ 4,085	\$ 29,689	\$ -	\$ -	\$ 858	\$ 59,144	38,825	250,982	107,500
3	\$ 59,144	\$ 4,540	\$ 22,206	\$ 4,085	\$ 30,831	\$ -	\$ -	\$ 1,774	\$ 91,749	39,667	257,156	107,500
4	\$ 91,749	\$ 4,731	\$ 23,208	\$ 4,085	\$ 32,024	\$ -	\$ -	\$ 2,752	\$ 126,525	40,528	263,485	107,500
5	\$ 126,525	\$ 4,930	\$ 24,255	\$ 4,494	\$ 33,679	\$ -	\$ 13,207	\$ 3,400	\$ 150,396	41,407	269,972	107,500
6	\$ 150,396	\$ 5,138	\$ 25,349	\$ 4,494	\$ 34,981	\$ -	\$ -	\$ 4,512	\$ 189,889	42,306	276,622	107,500
7	\$ 189,889	\$ 5,354	\$ 26,493	\$ 4,494	\$ 36,341	\$ -	\$ -	\$ 5,697	\$ 231,927	43,224	283,438	107,500
8	\$ 231,927	\$ 5,580	\$ 27,689	\$ 4,494	\$ 37,763	\$ -	\$ -	\$ 6,958	\$ 276,648	44,162	290,426	107,500
9	\$ 276,648	\$ 5,815	\$ 28,940	\$ 4,494	\$ 39,249	\$ -	\$ -	\$ 8,299	\$ 324,196	45,120	297,588	107,500
10	\$ 324,196	\$ 6,060	\$ 30,247	\$ 4,943	\$ 41,250	\$ -	\$ 79,794	\$ 7,332	\$ 292,984	46,099	304,931	107,500
11	\$ 292,984	\$ 6,274	\$ 31,315	\$ 4,943	\$ 42,532	\$ -	\$ -	\$ 8,790	\$ 344,305	46,791	309,505	107,500
12	\$ 344,305	\$ 6,496	\$ 32,420	\$ 4,943	\$ 43,859	\$ -	\$ -	\$ 10,329	\$ 398,493	47,493	314,148	107,500
13	\$ 398,493	\$ 6,725	\$ 33,564	\$ 4,943	\$ 45,232	\$ -	\$ -	\$ 9,081	\$ 452,806	48,205	318,860	107,500
14	\$ 452,806	\$ 6,962	\$ 34,749	\$ 4,943	\$ 46,654	\$ -	\$ -	\$ 10,318	\$ 509,779	48,928	323,643	107,500
15	\$ 509,779	\$ 7,208	\$ 35,976	\$ 5,437	\$ 48,021	\$ -	\$ 15,327	\$ 10,672	\$ 553,745	49,662	328,497	107,500
16	\$ 553,745	\$ 7,463	\$ 37,246	\$ 5,437	\$ 50,146	\$ -	\$ -	\$ 11,954	\$ 613,844	50,407	333,425	107,500
17	\$ 613,844	\$ 7,726	\$ 38,561	\$ 5,437	\$ 51,724	\$ -	\$ -	\$ 13,297	\$ 680,865	51,163	338,426	107,500
18	\$ 680,865	\$ 7,999	\$ 39,922	\$ 5,437	\$ 53,358	\$ -	\$ -	\$ 14,957	\$ 747,840	51,930	343,503	107,500
19	\$ 747,840	\$ 8,281	\$ 41,331	\$ 5,981	\$ 55,049	\$ -	\$ -	\$ 16,567	\$ 817,846	52,709	348,655	107,500
20	\$ 817,846	\$ 8,573	\$ 42,790	\$ 5,981	\$ 57,344	\$ 307,993	\$ 597,490	\$ 10,567	\$ 596,261	53,500	353,885	107,500
21	\$ 596,261	\$ 8,876	\$ 44,301	\$ 5,981	\$ 59,157	\$ 40,860.77	\$ -	\$ 11,108	\$ 625,665	54,303	359,193	107,500
22	\$ 625,665	\$ 9,189	\$ 45,864	\$ 5,981	\$ 61,035	\$ 40,860.77	\$ -	\$ 12,333	\$ 657,535	55,117	364,581	107,500
23	\$ 657,535	\$ 9,514	\$ 47,483	\$ 5,981	\$ 62,978	\$ 40,860.77	\$ -	\$ 13,022	\$ 729,138	55,944	370,050	107,500
24	\$ 691,986	\$ 9,850	\$ 49,160	\$ 5,981	\$ 64,990	\$ 40,860.77	\$ 17,788	\$ 13,410	\$ 751,570	56,783	375,601	107,500
25	\$ 729,138	\$ 10,197	\$ 50,895	\$ 6,579	\$ 67,671	\$ 40,860.77	\$ -	\$ 14,214	\$ 794,751	57,635	381,235	107,500
26	\$ 751,570	\$ 10,557	\$ 52,692	\$ 6,579	\$ 69,828	\$ 40,860.77	\$ -	\$ 15,078	\$ 841,028	58,499	386,953	107,500
27	\$ 794,751	\$ 10,930	\$ 54,552	\$ 6,579	\$ 72,060	\$ 40,860.77	\$ -	\$ 16,003	\$ 890,543	59,377	392,757	107,500
28	\$ 841,028	\$ 11,316	\$ 56,477	\$ 6,579	\$ 74,372	\$ 40,860.77	\$ -	\$ 16,994	\$ 943,441	60,267	398,649	107,500
29	\$ 890,543	\$ 11,715	\$ 58,471	\$ 6,579	\$ 76,765	\$ 40,860.77	\$ -	\$ 17,805	\$ 989,866	61,171	404,629	107,500
30	\$ 943,441	\$ 12,129	\$ 60,535	\$ 6,579	\$ 79,247	\$ 40,860.77	\$ 107,471	\$ 15,902	\$ 890,254	62,089	410,698	107,500
31	\$ 890,254	\$ 12,557	\$ 62,672	\$ 6,579	\$ 81,807	\$ -	\$ -	\$ 16,994	\$ 989,866	63,020	416,858	107,500
32	\$ 989,866	\$ 13,000	\$ 64,884	\$ 6,579	\$ 84,403	\$ -	\$ -	\$ 17,805	\$ 1,094,126	63,966	423,111	107,500
33	\$ 1,094,126	\$ 13,459	\$ 67,174	\$ 6,579	\$ 87,212	\$ -	\$ -	\$ 18,888	\$ 1,203,221	64,925	429,458	107,500
34	\$ 1,203,221	\$ 13,934	\$ 69,546	\$ 6,579	\$ 90,059	\$ -	\$ -	\$ 19,797	\$ 1,317,344	65,899	435,900	107,500
35	\$ 1,317,344	\$ 14,426	\$ 72,001	\$ 7,237	\$ 93,663	\$ -	\$ 20,643	\$ 25,064	\$ 1,416,299	66,888	442,438	107,500
36	\$ 1,416,299	\$ 14,935	\$ 74,542	\$ 7,237	\$ 96,714	\$ -	\$ -	\$ 28,326	\$ 1,541,339	67,891	449,075	107,500
37	\$ 1,541,339	\$ 15,462	\$ 77,174	\$ 7,237	\$ 99,873	\$ -	\$ -	\$ 30,827	\$ 1,672,039	68,909	455,811	107,500
38	\$ 1,672,039	\$ 16,008	\$ 79,898	\$ 7,237	\$ 103,143	\$ -	\$ -	\$ 33,441	\$ 1,808,622	69,943	462,648	107,500
39	\$ 1,808,622	\$ 16,573	\$ 82,718	\$ 7,237	\$ 106,528	\$ -	\$ -	\$ 36,172	\$ 1,951,323	70,992	469,588	107,500
40	\$ 1,951,323	\$ 17,158	\$ 85,638	\$ 7,237	\$ 110,033	\$ -	\$ 2,012,505	\$ 349	\$ 49,201	72,057	476,632	107,500

TABLE F - PAGE 2
R and R Participant Payment Schedules

Year	Council							Corporation							YSD								
	Beg of Year Balance	Annual Deposit	Principal Received	Debt Service	Renewals/ Replacements	Interest Earnings (Net of Fees)	Total	Year	Beg of Year Balance	Annual Deposit	Principal Received	Debt Service	Renewals/ Replacements	Interest Earnings (Net of Fees)	Total	Year	Beg of Year Balance	Annual Deposit	Principal Received	Debt Service	Renewals/ Replacements	Interest Earnings (Net of Fees)	Total
1	\$ -	\$ 4,180				\$ -	\$ 4,180	1	\$ -	\$ 20,332				\$ -	\$ 20,332	1	\$ -	\$ 4,085				\$ -	\$ 4,085
2	\$ 4,180	\$ 4,356				\$ 125	\$ 8,662	2	\$ 20,332	\$ 21,248				\$ 610	\$ 42,190	2	\$ 4,085	\$ 4,085				\$ 123	\$ 8,293
3	\$ 8,662	\$ 4,540				\$ 260	\$ 13,461	3	\$ 42,190	\$ 22,206				\$ 1,266	\$ 65,662	3	\$ 8,293	\$ 4,085				\$ 249	\$ 12,626
4	\$ 13,461	\$ 4,731				\$ 404	\$ 18,596	4	\$ 65,662	\$ 23,208				\$ 1,970	\$ 90,839	4	\$ 12,626	\$ 4,085				\$ 379	\$ 17,090
5	\$ 18,596	\$ 4,930			1,279	\$ 520	\$ 22,767	5	\$ 90,839	\$ 24,255			\$ 7,957	\$ 2,486	\$ 109,624	5	\$ 17,090	\$ 4,494			\$ 3,971	\$ 394	\$ 18,006
6	\$ 22,767	\$ 5,138				\$ 683	\$ 28,588	6	\$ 109,624	\$ 25,349				\$ 3,289	\$ 138,261	6	\$ 18,006	\$ 4,494				\$ 540	\$ 23,040
7	\$ 28,588	\$ 5,354				\$ 858	\$ 34,800	7	\$ 138,261	\$ 26,493				\$ 4,148	\$ 168,903	7	\$ 23,040	\$ 4,494				\$ 691	\$ 28,225
8	\$ 34,800	\$ 5,580				\$ 1,044	\$ 41,424	8	\$ 168,903	\$ 27,689				\$ 5,067	\$ 201,659	8	\$ 28,225	\$ 4,494				\$ 847	\$ 33,565
9	\$ 41,424	\$ 5,815				\$ 1,243	\$ 48,482	9	\$ 201,659	\$ 28,940			\$ 62,252	\$ 6,050	\$ 236,649	9	\$ 33,565	\$ 4,494			\$ 8,183	\$ 1,007	\$ 39,065
10	\$ 48,482	\$ 6,060			9,359	\$ 1,374	\$ 56,357	10	\$ 236,649	\$ 30,247				\$ 7,232	\$ 209,876	10	\$ 39,065	\$ 4,494				\$ 926	\$ 36,751
11	\$ 56,357	\$ 6,274				\$ 1,591	\$ 64,021	11	\$ 209,876	\$ 31,315				\$ 6,296	\$ 247,487	11	\$ 36,751	\$ 4,943				\$ 1,103	\$ 42,797
12	\$ 64,021	\$ 6,496				\$ 1,621	\$ 70,811	12	\$ 247,487	\$ 32,420				\$ 7,425	\$ 287,331	12	\$ 42,797	\$ 4,943				\$ 1,284	\$ 49,023
13	\$ 70,811	\$ 6,725				\$ 1,864	\$ 78,711	13	\$ 287,331	\$ 33,564				\$ 5,747	\$ 326,642	13	\$ 49,023	\$ 4,943				\$ 1,471	\$ 55,437
14	\$ 78,711	\$ 7,008				\$ 2,122	\$ 87,885	14	\$ 326,642	\$ 34,749			\$ 9,236	\$ 6,533	\$ 367,924	14	\$ 55,437	\$ 4,943				\$ 1,663	\$ 62,043
15	\$ 87,885	\$ 7,266			1,484	\$ 2,350	\$ 97,984	15	\$ 367,924	\$ 35,976				\$ 7,174	\$ 401,838	15	\$ 62,043	\$ 5,437			\$ 4,607	\$ 1,149	\$ 64,022
16	\$ 97,984	\$ 7,534				\$ 2,637	\$ 108,049	16	\$ 401,838	\$ 37,246				\$ 8,037	\$ 447,121	16	\$ 64,022	\$ 5,437				\$ 1,280	\$ 70,739
17	\$ 108,049	\$ 7,799				\$ 2,940	\$ 118,821	17	\$ 447,121	\$ 38,561				\$ 8,942	\$ 494,624	17	\$ 70,739	\$ 5,437				\$ 1,415	\$ 77,591
18	\$ 118,821	\$ 8,081				\$ 3,273	\$ 129,478	18	\$ 494,624	\$ 39,922				\$ 9,892	\$ 544,438	18	\$ 77,591	\$ 5,437				\$ 1,552	\$ 84,580
19	\$ 129,478	\$ 8,373	\$ 62,423		104,039	\$ 3,757	\$ 198,193	19	\$ 544,438	\$ 41,331				\$ 10,889	\$ 596,658	19	\$ 84,580	\$ 5,437				\$ 1,692	\$ 91,709
20	\$ 138,813	\$ 8,676				\$ 4,099	\$ 215,568	20	\$ 596,658	\$ 42,790	\$ 245,570		\$ 409,283	\$ 8,659	\$ 484,394	20	\$ 91,709	\$ 5,981			\$ 84,168	\$ 151	\$ 13,673
21	\$ 148,813	\$ 8,979				\$ 4,419	\$ 242,271	21	\$ 648,394	\$ 44,301			\$ 32,579	\$ 9,036	\$ 505,152	21	\$ 13,673	\$ 5,981				\$ 273	\$ 19,927
22	\$ 159,390	\$ 9,282				\$ 4,740	\$ 273,412	22	\$ 699,852	\$ 45,864			\$ 32,579	\$ 9,451	\$ 527,888	22	\$ 19,927	\$ 5,981				\$ 399	\$ 26,306
23	\$ 170,872	\$ 9,585				\$ 5,061	\$ 306,517	23	\$ 752,889	\$ 47,483			\$ 32,579	\$ 9,906	\$ 552,092	23	\$ 26,306	\$ 5,981				\$ 526	\$ 32,813
24	\$ 182,757	\$ 9,888				\$ 5,382	\$ 342,425	24	\$ 805,699	\$ 49,160			\$ 32,579	\$ 10,402	\$ 579,682	24	\$ 32,813	\$ 5,981				\$ 656	\$ 39,450
25	\$ 195,045	\$ 10,197			1,725	\$ 5,703	\$ 386,967	25	\$ 859,008	\$ 50,895			\$ 32,579	\$ 10,717	\$ 598,008	25	\$ 39,450	\$ 6,579			\$ 5,348	\$ 682	\$ 41,364
26	\$ 207,742	\$ 10,557				\$ 6,024	\$ 434,363	26	\$ 910,538	\$ 52,692			\$ 32,579	\$ 11,309	\$ 629,429	26	\$ 41,364	\$ 6,579				\$ 827	\$ 48,770
27	\$ 220,999	\$ 10,930				\$ 6,345	\$ 488,264	27	\$ 962,838	\$ 54,552			\$ 32,579	\$ 11,937	\$ 663,338	27	\$ 48,770	\$ 6,579				\$ 975	\$ 56,324
28	\$ 234,729	\$ 11,316				\$ 6,666	\$ 546,711	28	\$ 1,015,138	\$ 56,477			\$ 32,579	\$ 12,615	\$ 699,852	28	\$ 56,324	\$ 6,579				\$ 1,126	\$ 64,030
29	\$ 248,995	\$ 11,715				\$ 6,987	\$ 611,707	29	\$ 1,067,438	\$ 58,471			\$ 32,579	\$ 13,453	\$ 739,089	29	\$ 64,030	\$ 6,579				\$ 1,281	\$ 71,889
30	\$ 263,710	\$ 12,129			12,603	\$ 7,308	\$ 689,558	30	\$ 1,119,738	\$ 60,535				\$ 14,545	\$ 795,653	30	\$ 71,889	\$ 6,579				\$ 1,217	\$ 68,662
31	\$ 278,939	\$ 12,557				\$ 7,629	\$ 769,031	31	\$ 1,172,038	\$ 62,672				\$ 15,013	\$ 872,238	31	\$ 84,726	\$ 6,579				\$ 1,373	\$ 76,615
32	\$ 294,496	\$ 13,000				\$ 7,950	\$ 844,446	32	\$ 1,224,338	\$ 64,884				\$ 15,451	\$ 956,792	32	\$ 91,709	\$ 6,579				\$ 1,532	\$ 84,726
33	\$ 310,496	\$ 13,459				\$ 8,271	\$ 934,214	33	\$ 1,276,638	\$ 67,174				\$ 16,455	\$ 1,064,962	33	\$ 99,999	\$ 6,579				\$ 1,695	\$ 92,999
34	\$ 326,955	\$ 13,934				\$ 8,592	\$ 1,035,881	34	\$ 1,328,938	\$ 69,546				\$ 17,736	\$ 1,175,974	34	\$ 107,083	\$ 6,579				\$ 1,860	\$ 101,438
35	\$ 343,889	\$ 14,426			2,000	\$ 8,912	\$ 1,154,221	35	\$ 1,381,238	\$ 72,001			\$ 15,093	\$ 22,044	\$ 1,198,767	35	\$ 101,438	\$ 7,237			\$ 3,550	\$ 2,142	\$ 107,083
36	\$ 361,315	\$ 14,935				\$ 9,233	\$ 1,277,483	36	\$ 1,433,538	\$ 74,542				\$ 23,975	\$ 1,299,916	36	\$ 116,461	\$ 7,237				\$ 2,329	\$ 136,027
37	\$ 379,250	\$ 15,462				\$ 9,554	\$ 1,407,264	37	\$ 1,485,838	\$ 77,174				\$ 25,998	\$ 1,403,812	37	\$ 124,693	\$ 7,237				\$ 2,716	\$ 145,737
38	\$ 397,712	\$ 16,008				\$ 9,875	\$ 1,530,995	38	\$ 1,538,138	\$ 79,898				\$ 28,116	\$ 1,516,646	38	\$ 133,166	\$ 7,237				\$ 3,349	\$ 153,166
39	\$ 416,720	\$ 16,573				\$ 10,196	\$ 1,669,916	39	\$ 1,590,438	\$ 82,718				\$ 30,463	\$ 1,603,916	39	\$ 145,737	\$ 7,237				\$ 3,349	\$ 153,166
40	\$ 436,293	\$ 17,158				\$ 10,517	\$ 1,815,659	40	\$ 1,642,738	\$ 85,638				\$ 32,986	\$ 1,646,774	40	\$ 153,166	\$ 7,237				\$ 3,349	\$ 153,166

TABLE G
Loan Schedules

Year 20 R&R Loan -Council

Principal	\$ 62,423
Term	10 Years
Rate	5.5%
Payment	\$ (8,281.57)

Year	Beginning Balance	Interest	Payment	Principal Payment	Ending Balance
1	\$ 62,423.40	\$ 3,433.29	(\$8,281.57)	\$ 4,848.29	\$ 57,575.11
2	\$ 57,575.11	\$ 3,166.63	(\$8,281.57)	\$ 5,114.94	\$ 52,460.17
3	\$ 52,460.17	\$ 2,885.31	(\$8,281.57)	\$ 5,396.26	\$ 47,063.91
4	\$ 47,063.91	\$ 2,588.51	(\$8,281.57)	\$ 5,693.06	\$ 41,370.85
5	\$ 41,370.85	\$ 2,275.40	(\$8,281.57)	\$ 6,006.18	\$ 35,364.67
6	\$ 35,364.67	\$ 1,945.06	(\$8,281.57)	\$ 6,336.52	\$ 29,028.16
7	\$ 29,028.16	\$ 1,596.55	(\$8,281.57)	\$ 6,685.02	\$ 22,343.13
8	\$ 22,343.13	\$ 1,228.87	(\$8,281.57)	\$ 7,052.70	\$ 15,290.43
9	\$ 15,290.43	\$ 840.97	(\$8,281.57)	\$ 7,440.60	\$ 7,849.83
10	\$ 7,849.83	\$ 431.74	(\$8,281.57)	\$ 7,849.83	\$ (0.00)
		\$ 20,392.33	(\$82,815.73)	\$ 62,423.40	

Year 20 R&R Loan -Corporation

Principal	\$ 245,570
Term	10 Years
Rate	5.5%
Payment	\$ (32,579.20)

Year	Beginning Balance	Interest	Payment	Principal Payment	Ending Balance
1	\$ 245,569.80	\$ 13,506.34	\$ (32,579.20)	\$ 19,072.86	\$ 226,496.94
2	\$ 226,496.94	\$ 12,457.33	\$ (32,579.20)	\$ 20,121.87	\$ 206,375.08
3	\$ 206,375.08	\$ 11,350.63	\$ (32,579.20)	\$ 21,228.57	\$ 185,146.51
4	\$ 185,146.51	\$ 10,183.06	\$ (32,579.20)	\$ 22,396.14	\$ 162,750.37
5	\$ 162,750.37	\$ 8,951.27	\$ (32,579.20)	\$ 23,627.93	\$ 139,122.44
6	\$ 139,122.44	\$ 7,651.73	\$ (32,579.20)	\$ 24,927.46	\$ 114,194.98
7	\$ 114,194.98	\$ 6,280.72	\$ (32,579.20)	\$ 26,298.47	\$ 87,896.50
8	\$ 87,896.50	\$ 4,834.31	\$ (32,579.20)	\$ 27,744.89	\$ 60,151.61
9	\$ 60,151.61	\$ 3,308.34	\$ (32,579.20)	\$ 29,270.86	\$ 30,880.76
10	\$ 30,880.76	\$ 1,698.44	\$ (32,579.20)	\$ 30,880.76	\$ (0.00)
		\$ 80,222.17	(\$325,791.97)	\$ 245,569.80	

APPENDIX A: PRIMARY OPERATOR STATEMENT OF QUALIFICATION

The Primary Operator Statement of Qualification includes:

1. A description of the Primary Operator, its personnel and experience, and its responsibilities and functions. This discussion includes a description of the ability and history of the Primary Operator to operate a bulk fuel facility as a business and/or its history of operating other business enterprises, as well as a description of the Primary Operator's fiscal controls and accounting procedures. This discussion details organization history, management and structure; identification of key personnel, their experience and responsibilities; and, proposed organization of bulk fuel facility management and operations, including an organizational chart.
2. A description of the Primary Operator's, if any, staffing or training needs.
3. A description of the training plan proposed by the Primary Operator to address current and future needs.

AKIACHAK, LIMITED

Organization History

The Akiachak area was used by the Yup'ik Eskimos as a seasonal subsistence site. Called Akiachagamiut in the 1890 census, the village had a population of 43 at that time. A post office was established in 1934. Akiachak was incorporated as a second-class city in 1974, but the city government was dissolved in 1987 in favor of traditional village council guidance. Akiachak was the first city in Alaska to dissolve its city government in favor of the Native village government.

Today, the community of Akiachak is primarily Yup'ik Eskimos with approximately 680 year round residents. Most residents depend on a subsistence lifestyle for most food sources. Employment is primarily with the Yupiit School District, which has headquarters located in the community, and other public services. Seasonal jobs include commercial fishing, BLM fire fighting and construction work.

Akiachak, Limited has successfully administered and operated a wide variety of community businesses. The following tables lists the Corporation's current community businesses and services:

CURRENT BUSINESSES AND SERVICES

Akiachak Native Community Electric Co.
Akiachak Fuel Sales Inc.
Akiachak Enterprises Inc. (Retail Store)
Kalikwik Inc. (Real Estate & Leasing)

Description of Business History

The Corporation owns and operates the community's electric generator plant under a subsidiary business called the Akiachak Native Community Electric Company. Company employees maintain the generator plant, monitors electric meters at residences and businesses, and collect electrical fees. Currently, residents are paying 42 cents/kilowatt per hour, while commercial businesses are paying 40 cents/kilowatt per hour and community buildings are paying 41 cents/kilowatt per hour. The Company participates in the Power Cost Equalization Program.

The Corporation owns and operates the community's retail fuel sales under a subsidiary business, the Akiachak Fuel Sales Incorporation. The Corporation purchases fuel by barge approximately three times a year in the spring, summer and fall from WAVE Fuel. During the winter months fuel is trucked from Yukon Fuel in Bethel - approximately eight times per winter. The barge fuel delivery is approximately 25,000 to 30,000 gallons of diesel. The truck fuel delivery is approximately 1,500 to 10,000 gallons of diesel.

The diesel fuel purchased by the Corporation is used to operate the electric generator plant and to sell to the community for heating homes and buildings. The Corporation also sells gasoline to the community for operating motor vehicles. When fuel is delivered by truck the retail price for diesel is

\$3.05 per gallon and gasoline is \$3.29 per gallon. When fuel is delivered by barge the retail price for diesel is \$2.50 per gallon and gasoline is \$2.70 per gallon.

Description of Fiscal Controls and Accounting Procedures

All check requests must have supporting documents prior to being processed by the Corporation's bookkeeping clerk. The President and Office Manager ensure that the subsidiary business's budgets are followed. All checks must be signed by two officers of the Board. A copy of the check is attached to the supporting documents and filed at the Corporation's office. The Corporation's bookkeeping and accounting staff currently use hand-ledgers, although the Corporation has recently purchased IBM Compatible computers and accounting software program Quick Books. Accounting staff is being trained in the use of Quickbooks Pro 2002. The Corporation was last audited in 2001 by the independent accounting firm Altman, Rogers and Co. located in Anchorage and the same accounting firm is preparing to complete a 2002 audit. The Corporation operates on a January through December fiscal year.

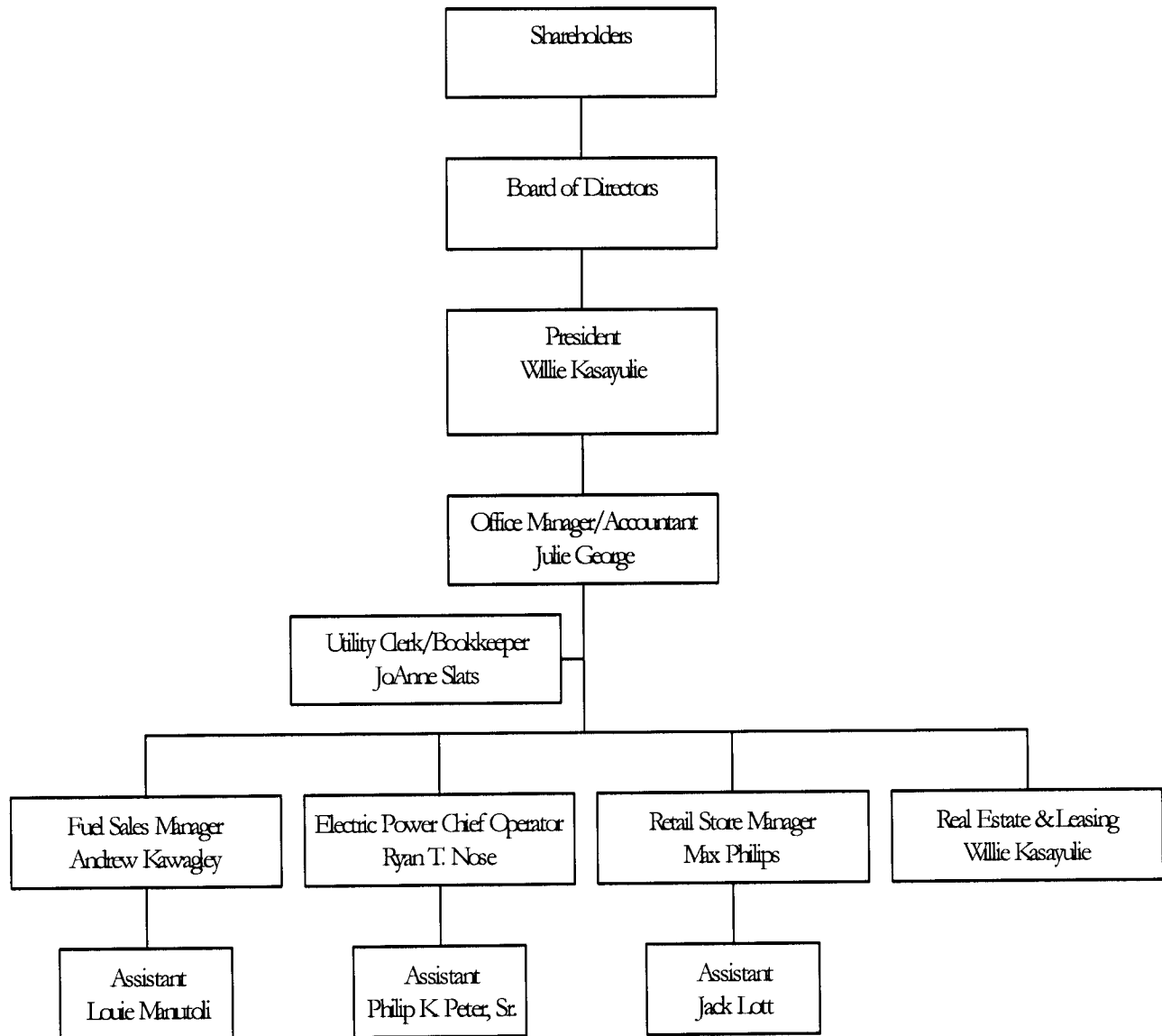
Management and Structure

Akiachak, Limited consists of seven Board of Directors. Below are the names and titles of the Corporation's 2003 Directors.

AKIACHAK, LIMITED	
2003 BOARD OF DIRECTORS	
Willie Kasayulie, Chair	Charlie K. James, Vice Chair
Marie G. Philips, Treas./Secr.	Willie Ekamrak, Director
Roland Nose Sr., Director	Eddie Pasitnak Sr., Director
Brian M. Henry, Director	

The below organizational chart shows the relationship between the various components of the Corporation's overall structure. At the apex of management is a Board of Directors comprised of the Chair/President, all representing the village of Akiachak.

**Akiachak, Limited
Organizational Chart
2003**



Identification of Key Personnel

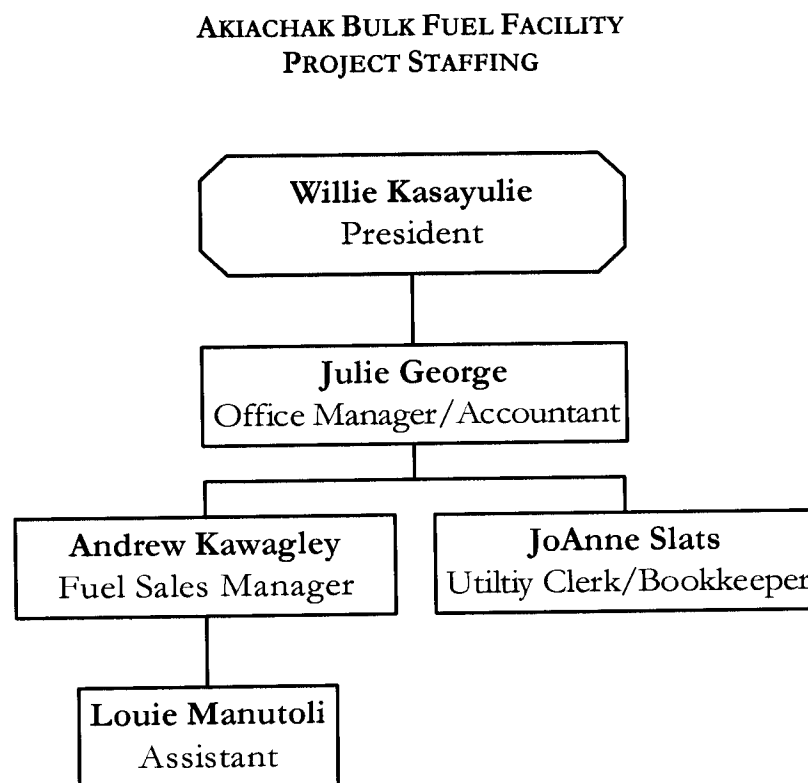
The Akiachak Bulk Fuel Facility will have overall direction from the Corporation, which is headed by the Chair/President, Willie Kasayulie. President Kasayulie will be involved in this project from the beginning and is the main contact for the Corporation. He will work with AEA and the Denali Commission to ensure the Corporation's role in the project timeline. Julie George, Office Manager/Accountant, will provide financial management, budget and reporting for the Bulk Fuel Facility. See resumes and job description.

The Corporation's subsidiary business, Akiachak Fuel Sales Inc. will operate and maintain the Bulk Fuel Facility. Andrew Kawagley is Fuel Sales Manager of the existing Bulk Fuel Facility and is responsible for the Facility's overall operations. His position will remain the same with the new consolidated Bulk Fuel Facility. Louie Manutoli is the Assistant to Mr. Kawagley. See attached resume.

Julie George is the Office Manager/Accountant. JoAnne Slats is the Utility Clerk/Bookkeeper. Ms. George and Ms. Slats are responsible for payroll, accounts payable, accounts receivable, tax filings and schedules, program budgets, and for tracking project expenses and preparation of required project financial reports. See attached resumes.

Organization of Bulk Fuel Management and Operations

The following chart illustrates the staff relationships of the Akiachak Bulk Fuel Facility:



Staff Training Needs

Below is an initial list of training and assistance the Akiachak, Limited has identified for the Bulk Fuel Managers:

- HAZWoper
- Oil Spill Response
- Bulk Fuel Operator

Proposed Training Plan

The Corporation staff will coordinate HAZWoper, Oil Spill Response and Bulk Fuel Operator as courses are offered by state agencies in the region. Additionally, the Council will utilize training resources available through AEA and the Alaska Vocational Technical Center to ensure proper training of its personnel. The following is a summary of those resources:

- ***Alaska Energy Authority (AEA)***

The Alaska Energy Authority has developed a series of courses relating specifically to Bulk Fuel and Power Utility operations. These courses are taught through the Alaska Vocational Technical Center (AVTEC) in Seward:

Phone: (907)-269-3000

Contacts

Bruce Tiedeman, Rural Energy Manager, Alaska Energy Authority/AIDEA

Address: 813 West Northern Lights Blvd., Anchorage, Alaska 99503

Phone: (907) 269-4641 Fax: (907) 269-3044

Web Address: www.aidea.org/training.htm

Email address: btiedeman@aidea.org

Dick Harrell, Instructional Administrator, Alaska Vocational Technical Center

Address: P.O. Box 889 ~ 809 2nd Avenue, Seward, Alaska 99664

Phone: (907)-224-4162 ~ 1-800-478-5389 ~ fax (907) 224-4144

Web Address: www.avtec.alaska.edu

Email: dick_harrell@educ.state.ak.us

Technical Assistance Provided

Facility Maintenance and Operations

Cost

The state will pay for transportation to and from your community to the Alaska Vocational Technical Center (AVTEC) as well as lodging and \$10 per meal allowance while in transit to AVTEC. Furthermore, while at AVTEC the state will pay for tuition, deposit, room and board and training related materials.

Currently, the primary bulk fuel training provided by AEA is:

Bulk Fuel Operator Training – This is a 2-week program that covers how to safely run a tank system within a rural Alaskan community as well as covers information regarding the Alaska Energy Authorities Bulk Fuel loan program and how to recognize deficient tank systems.

The following courses are anticipated for the future:

Itinerant Training – This course will provide follow-up onsite training following the AVTEC Bulk Fuel Operator Training course. The Alaska Energy Authority (AEA) staff will conduct all training. It is anticipated that 6 communities will be chosen as test sites or demonstration projects.

Oil Spill Response Training – This course will be taught on-site and have the participation of the Alaska Energy Authority (AEA), Department of Environmental Conservation (DEC), Environmental Protection Agency (EPA) and the US Coast Guard. This course is tentatively targeted to begin Summer-2002.

- ***Alaska Vocational Technical Center (AVTEC)***

The Alaska Vocational Technical Center (AVTEC) is located in Seward Alaska approximately 120 miles south of Anchorage via the Seward Highway. In addition to offering onsite training and courses AVTEC staff also provide off-site training.

Contact

Admissions Office

Address: P.O. Box 889 ~ 809 2nd Avenue, Seward, Alaska 99664

Phone: (907)-224-4152 ~ 1-800-478-5389 ~ fax (907) 224-4143

Web Address: www.avtec.alaska.edu

Technical Assistance Provided

Skilled Labor

Business Administration

Facility Maintenance and Operations

Cost

Fees for courses vary based on the specific program. An estimated fee for various programs has been included next to the listing of programs offered. The estimated fees include tuition, activity fee, security deposit, room and board, and books and supplies. Broken out these costs total - activity fee (\$25), security deposit (\$50), and room and board (\$20/day). The tuition, books and supplies vary in cost according to the course and course length.

The following programs and courses are offered relating to **Skilled Labor**:

Construction Machinery and Diesel Engine Technology – This program teaches students the skills and competencies of servicing, maintaining, and repairing construction machinery and diesel engines. Approximately 40 percent of the course is classroom instruction with the remainder being shop work. Four certification levels can be obtained within the program. The entire course will cost an estimated \$7,280 and take approximately 40 weeks or 1379 hours.

Basic course content includes: tire repair; basics of equipment operation; chassis components; differentials; transmissions; brakes; electrical systems; hydraulic systems; introduction to gas and arc welding; diesel engine operation and tuning; precision measurement; disassembly and reassembly of diesel engines; fuel injection systems and governors, including electronically injected diesels; mathematics; industrial first aid; job search skills; and, shop safety.

Welding Technology – This program teaches students the skills necessary to successfully pass the AWS-D1.1 Structural Certification Test and become employed in the welding and fabrication industry. Certificates can be obtained in; Combination Welder, Welder SMAW, Wire-Feed Welder, Aluminum Welder, and Welder Helper. The entire course will cost an estimated \$5,260 and take approximately 20 weeks or 700 hours.

Basic course content includes: O.A.W. (Oxyacetylene Welding); S.M.A.W. (Stick electrode); G.M.A.W. (MIG); G.T.A.W. (TIG); shop safety; industrial first aid and CPR and job search skills.

Industrial Electricity – This program prepares students for entry-level positions in the field of industrial electricity. The course is broken into three parts; classroom presentation, experimental lab work, and electrical maintenance shop work. Four certificates can be obtained, Industrial Controls Technician, Industrial Electrical Technician, Electrical Apprentice, and Electrical Helper. The entire course will cost an estimated \$8,175 and can take up to 40 weeks or 1400 hours depending on the certification level.

Basic course content includes: electrical theory and wiring practices; electrical construction and national electrical code, industrial process automation, and job search and interview skills.

The following program and courses are offered relating to **Business Administration**:

Business and Office Technology – This program is an individualized, self-paced program. The following certificate levels can be obtained within the program, Accounting Clerk, Administrative Assistant, General Business/Office Assistant, and Business/Office Clerk. The entire course will cost an estimated \$6,855 and take approximately 35 weeks or 1225 hours.

Basic course content includes: Computer operations and software applications; Keyboarding and document processing; Proofreading and editing; Office procedures and office machines;

Machine transcription; Accounting and record keeping; Business English and mathematics; Job and interview preparation; and, Internship training.

The following programs are offered relating to **Facility Maintenance and Operations**:

Facility Maintenance/Construction Trades – This program prepares students for installation, maintenance, service, repair and diagnostics to maintain installations and repair numerous types of facility equipment. Approximately 50 percent of the course is classroom instruction with the remainder being hands on training. Two certificates can be obtained: Building Maintenance Repairer and Building Maintenance Repairer Helper. The entire course will take approximately 38 weeks or 1316 hours.

The main courses of study are carpentry, plumbing, heating and electrical. Basic course content includes: Carpentry (blueprint reading, power tools and hand tools, framing, sheetrock, structural repair, foundations); Plumbing (names of fittings, join pipe, repair and replace fixtures); Heating (proper cleaning, troubleshooting, preventative maintenance); and, Electrical (electrical theory, residential wiring, electrical troubleshooting, national electrical code, blueprints, schematics).

Facility Maintenance/Mechanical – This program prepares students for installation, maintenance, service, repair and diagnostics of HVAC/R equipment. Approximately 45 percent of the course is classroom instruction with the remainder being hands on training. Six certificates can be obtained: Plumbing and Heating Technician; Plumbing and Heating Repairer; Plumbing and Heating Assistant Repairer; HVAC/R Technician; HVAC/R Unit Repairer; HVAC/R Helper. The entire course will take approximately 36 weeks or 1260 hours.

Basic course content includes: electrical theory; troubleshooting and repair; reading blueprints and schematics; electrical circuits and controls; testing circuits, system design; retrofitting systems; heat loads; installation techniques; heat pumps; oil, gas and kerosene heating systems; domestic refrigerators and freezers; small hermetic systems; refrigeration systems; heating and cooling systems; introductions to carpentry, residential wiring and computers, and industrial first aid.

Power Plant Operation – This program prepares students for employment within a power plant. Approximately 60 percent of the course is spent operating and maintaining diesel generator sets representative of installations in rural Alaska with the remainder of time spent in classroom instruction. Certificates can be obtained in Diesel Plant Operator and Assistant Diesel Plant Operator. The entire course will cost an estimated \$1,935 and take approximately 8 weeks or 280 hours.

Basic course content includes: engine theory, maintenance, and troubleshooting; electrical system theory maintenance and troubleshooting; generator theory and maintenance; introduction to electrical distribution systems; operation of diesel electric sets; control panels; paralleling generator sets; load management; fuel management; waste heat recovery; plant management skills; power plant safety; industrial first aid and CPR; and job search skills.

RESUMES/JOB DESCRIPTION

Akiachak, Limited
PO Box 51010
Akiachak, Alaska 99551
Work 907-825-4328
Fax 907-825-4115

Willie Kasayulie

Employment	Akiachak, Limited 2002-Present President and Manager Manages and coordinates the day-to-day activities of the Corporation's operations and subsidiary businesses to ensure attainment of the goals and objectives set by the Board of Directors. Develops and maintains all administrative and financial systems, develops program budgets and prepares all reports for compliance with funding agencies.
Previous Employment	Akiachak Native Community 1996-1998 Tribal Services Director Akiachak Native Community 1985-1995 Chairman and CEO Akiachak, Limited 1973-1985 Manager
Military	1973-1985 U.S. National Guard Akiachak
Education	1971 High School Diploma Hartford High White River Jct., VT
Training	1970's Operation of Business ANLSA 1970's Management Courses Akiachak Coop Store
Community Work	2002-Present Chair of Akiachak Limited 1999-Present Board of Director of Akiachak Limited Present Board of Director of Calista Corporation Present Member of Indian Law Resource Center Helena, Mt. Present International Advisory Member of Native Nations Institute, University of Arizona Tucson, AZ

Akiachak, Limited
PO Box 51010
Akiachak, Alaska 99551
Work 907-825-4328
Fax 907-825-4115

Julie George

Employment

Akiachak, Limited

2001-Present Office Manager/Accountant

Responsible for implementing payroll, accounts payable, accounts receivable, tax filings and schedules, and tracking project expenses and preparation of required Federal and State financial reports. Assists the President with the day-to-day activities of the Corporation's operations to ensure attainment of the goals and objectives set by the Board of Directors.

Education

1986 High School Diploma Peter Evon Memorial High Akiachak

2001-Present University of Alaska Anchorage Distant Learning Program's Early Childhood with Special Needs

Training

2003 Quickbooks Pro 2003 Altman, Rogers and Company
January 2003 Quickbooks Pro 2002 Alaska Native Academy
June 2002 Notary Public Training
October 2002 Quickbooks Pro 2002 Mikunda Cottrell
1999/2000 Project Curriculum Book for Yup'ik Preschool Program
April 1998 National Head Start Conference
November 1997 Computer Training Alaska Rural Cap

Skills

IBM Compatible Computers
Microsoft Word, Excel and Quickbooks Pro 2002
Fax and Copier Machines
Typing Skills
Calculator
Filing

Akiachak, Limited
PO Box 51010
Akiachak, Alaska 99551
Work 907-825-4328
Fax 907-825-4115

JoAnne Slats

Employment	Akiachak, Limited 2002-Present Utility Clerk/Bookkeeper Responsible for implementing accounts payable, accounts receivable, tracking electric and bulk fuel expenses and assisting with the preparation of required State utility reports. Assists the Office Manager/Accountant with the other financial responsibilities.
Previous Employment	Akiachak, Limited 1998-2001 Accountant Akiachak, Limited 1998 Bookkeeping Akiachak, Limited 1995-1997 Retail Store Clerk Akiachak Native Community 1994 Tribal Court Clerk
Education	1992 High School Diploma Peter Evon Memorial High Akiachak 1992-1993 University of Alaska Kuskokwim Campus Elementary Education Bethel, AK
Training	2002 Utility Clerk Training Anchorage, AK 2000 Accounting Training Anchorage, AK
Skills	Utility Clerk System Software
Community Work	August-December 2002 Hiring Committee AVCP Parent and Child Program

Akiachak, Limited
PO Box 51010
Akiachak, Alaska 99551
Work 907-825-4328
Fax 907-825-4115

Andrew Kawagley

Employment	Akiachak, Limited 2003-Present Fuel Sales Manager Responsible for inspection, operation and minor maintenance of bulk fuel facility. Recording and tracking of retail fuel sales.
Previous Experience	Akiachak, Limited 2002-2003 Assistant Fuel Sales Auction Block Seward, AK Summer 2002 Scaler for Fishery L&A Building Maintenance Winter 2001 Lead Janitor 1998 Forklift Operator for Fishery Bethel, AK 15 years Commercial Fishing
Education	1990 High School Diploma Peter Evon Memorial High Akiachak
Training/Certification	2000 Asbestos Removal (Certificate Expired) 2000 HAZWoper (Certificate Expired)

AKIACHAK, LIMITED
JOB DESCRIPTION

BULK FUEL FACILITY MANAGER

Exempt (Y/N): No	Salary:
Division: Bulk Fuel	Location: Akiachak
Employee:	Supervisor:
Approved By: Board of Directors	Date:

SUMMARY: Plans and directs activities of bulk fuel facility operations. Ensures facility is maintained according to guidelines outlined in Business Plan, the Operations and Maintenance Manual, all manufacturers' recommendations for maintenance, and all State and Federal laws and regulations governing operation.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

Acts as point of contact for communications between the Akiachak, Limited, the Denali Commission, Regulatory Agencies, and other interested parties.

Interprets company policies and methods and develops specific operating procedures.

Delegates functional activities to workers and establishes supervisory schedules and responsibilities to ensure quality and timeliness of independent decisions required to provide continuous service to public and safety of workers.

Maintains operator training program and training records to ensure that trained operators are available to maintain sustained Facility operation.

Assists office manager with annual report of operations to the Denali Commission and other required reporting.

Implements the spill response and related regulatory plans and ensure that required spill response and related regulatory plans are updated and available on-site: Ensures the reliability of the spill response equipment, maintains the proper records, and conducts periodic spill drills.

Oversees proactive program to recognize, identify and correct operational problems within the facility. Investigates, evaluates, and determines best application of new developments in bulk fuel storage industry, and devises other means of securing maximum efficiency of personnel and equipment.

Directs maintenance of property records and upkeep of equipment and structures.

Job Description
Bulk Fuel Facility Manager
Page 2

SUPERVISORY RESPONSIBILITIES:

Directly supervises employees in the Bulk Fuel Facility. Carries out supervisory responsibilities in accordance with the organization's policies and applicable laws. Responsibilities include interviewing, hiring, and training employees; planning, assigning, and directing work; appraising performance; addressing complaints and resolving problems.

QUALIFICATIONS: To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required.

Education and/or Experience: Associate's degree (A. A.) or equivalent from two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience.

Language Skills: Ability to read and interpret documents such as safety rules, operating and maintenance instructions, and procedure manuals. Ability to write routine reports and correspondence. Ability to speak effectively before groups of customers or employees of organization.

Reasoning Ability: Ability to solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists. Ability to interpret a variety of instructions furnished in written, oral, diagram, or schedule form.

PHYSICAL DEMANDS: The job will be physically demanding; will be required to push, maneuver and sometimes lift heavy objects.

APPENDIX B: O&M AND R&R COST ESTIMATE

HMS #02132 (A)

FINAL SUBMITTAL
BULK FUEL OPERATION & MAINTENANCE
AND REPLACEMENT & RENEWAL COSTS
CORPORATION TANK FARM PORTION
AKIACHAK, ALASKA

COST CONSULTANT

HMS Inc.
4103 Minnesota Drive
Anchorage, Alaska 99503

(907) 561-1653
(907) 562-0420 FAX

CLIENT

Aurora Consulting
6326 Chevigny Street #B
Anchorage, Alaska 99502

July 9, 2003

HMS Project No.: 02132 (A)

NOTES REGARDING THE PREPARATION OF THIS ESTIMATE

These Operations/Maintenance and Replacement/Renewal costs are based on portion of Corporation Bulk Fuel Facility revised schematic drawings, prepared by LCMF Inc., and provided by Aurora Consulting of Anchorage, Alaska. O&M does not include costs that could incur due to unexpected events such as natural disaster, vandalism, etc.

Each work item is priced using "Force Account" local labor with exception of major testing, replacement, etc., which are priced using outside consultant/contractor rates, per diem and travel costs. "Force Account" labor rates are assumed as an average hourly rate for each village scenario.

O&M costs are established on yearly basis in 2003 dollars and should be projected to the initial 40 years of the facility using appropriate inflation factor over next 40 years.

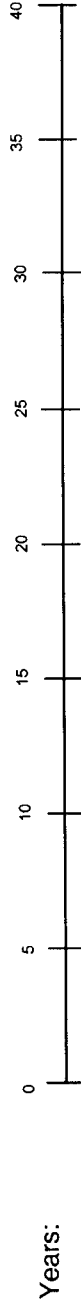
Renewal costs are based on repairing tank farm equipment every two to eight times over 40 years.

Replacement costs are based one to four times over 40 years.

Please note that this report excludes all work to the existing tank farm, O&M, and R&R costs for non-related tank farm work.

ESTIMATING ASSUMPTIONS

Operation/Maintenance Costs: All costs are on yearly basis for one time event only.



Renewal/Replacement Costs: Total cost column represents one time event only. Years in parentheses indicate number of times to be renewed/replaced. Therefore, the Business Plan should apply the total dollars and multiply by the number of years item to be renewed or replaced.

HMS Project No.: 02132 (A)

SUMMARY

	One Time Cost	TOTAL COST (In 2003 Dollars)
A. Operations & Maintenance Costs (Yearly)	36,476 x 40 Years =	\$ 1,459,058
B. Renewal Costs (Over 40 Years)		See Business Plan Table
C. Replacement Costs (Over 40 Years)		See Business Plan Table
TOTAL O&M AND RENEWAL/REPLACEMENT COSTS (2003 DOLLARS):		See Business Plan Table

NOTE: Items B and C costs are for multiple events over 40 years period. See Business Plan Tables for actual costs including inflation factor and number of occurrences/event.

HMS Project No.: 02132 (A)

A. Operations & Maintenance Costs (Yearly)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	
		12	Mos		8,000	96,000	17.85	1,714		1,714
Annual maintenance (shared cost by volume)										1,714
SUBTOTAL 1. TANK FARM MAINTENANCE (YEARLY):										1,714

2. TANKS, PIPELINES AND INSPECTIONS

Fuel delivery (254,959 gallons - 2 times - shared cost by volume)	1	LOT			30,000	30,000	17.85	536		536
Perform minor repairs, replace faulty valves and gauges (1 time/year - 11 tanks - 16 valves)	1	LOT	1280.00	1,280	20,000	20,000	17.85	357	75.00	1,712
Annual inspection/pressure testing, 11 tanks (shared costs - 1 outside person)	1	LOT	600.00	600	32,000	32,000	75.00	2,400	150.00	3,150
SUBTOTAL 2. TANKS, PIPELINES, ETC. (YEARLY):										5,398

NOTE: These projections are based on portion of Corporation fuel facility tank farm comprising (8) 48,000 gallon tanks, (1) 12,000 gallon dual product tank and (1) existing 10,000 gallon tank with fill and dispensing lines and pumping system (total shell capacity 406,000 gallons).

All costs are projected on yearly basis using local labor and construction equipment rented from local resources.

DATE: July 9, 2003

HMS Project No.: 02132 (A)

A. Operations & Maintenance Costs (Yearly)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	
3. OTHER COSTS										
Operator training (shared cost)	1	EA			8.000	8.000	45.00	360		360
Administration - clerical (shared cost)	12	Mos			6.000	72.000	16.80	1,210		1,210
Supervision (shared cost)	12	Mos			3.000	36.000	19.44	700		700
Annual audit (in Anchorage - shared cost)	1	EA			16.000	16.000	100.00	1,600		1,600
Tankage insurance (through put)	254,959	Gal	0.10	25,496						25,496
SUBTOTAL 3. OTHER COSTS (YEARLY):					25,496			3,869	29,365	

SUMMARY (YEARLY)

1. TANK FARM MAINTENANCE	\$ 1,714
2. TANKS, PIPELINES AND INSPECTIONS	5,398
3. OTHER COSTS	29,365
TOTAL IN PRESENT DOLLARS/YEAR:	\$ 36,476

DATE: July 9, 2003

HMS Project No.: 02132 (A)

B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$	
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Unit Price	Cost \$		
1A. FENCE (SHARED COST)											
Repair fence and gates (at 10 and 30 years - 2 times)	469	LF	3.75	1,759	0.250	117.250	17.85	2,093	1.60	750	4,602
1B. TANK FARM FRAMING, STEPS, DIKES, PILES, ETC. (SHARED COSTS)											
Minor repairs to framing and piling (at 10 and 30 years - 2 times)	7,550	SF	1.70	12,835	0.150	1132.500	17.85	20,215	0.50	3,775	36,825
Ditto steel dikes (at 10 and 30 years - 2 times)	509	LF	3.20	1,629	0.450	229.050	17.85	4,089	0.35	178	5,895
Repair steps and landings and dispenser enclosure (at 5, 15, 25 and 35 years - 4 times)	590	SF	13.50	7,965	0.800	472.000	17.85	8,425	2.00	1,180	17,570
Repair 4'0" wide boardwalks (at 5, 15, 25 and 35 years - 4 times)	406	SF	1.15	467	0.070	28.420	17.85	507	0.25	102	1,076
SUBTOTAL 1A & B. FENCE, STEPS, DIKE, ETC.:				24,654				35,329	5,985		65,969

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HMS Project No.: 02132 (A)

B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
2A. TANKS (Continued)	1	LOT	4800.00	4,800	32.000	32.000	17.85	571	100.00	100
										5,471
2B. PIPELINES AND HEADERS	1	LOT	250.00	250	5.000	5.000	17.85	89	50.00	50
										389
SUBTOTAL 2. TANKS AND PIPELINES:	1	LOT	1650.00	1,650	32.000	32.000	17.85	571	250.00	250
				12,950				1,767		650
										15,367
3. ELECTRICAL MAINTENANCE	1	LOT	2100.00	2,100	36.000	36.000	22.50	810	195.00	195
										3,105
SUBTOTAL 3. ELECTRICAL MAINTENANCE:										3,105

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B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Unit Price	Cost \$	
SUMMARY (One time cost - multiply by number of times to be renewed)										
1A & B. FENCE, STEPS, DIKES, ETC.										
\$ 65,969										
2A & B. TANKS AND PIPELINES										
15,367										
3. ELECTRICAL MAINTENANCE										
3,105										
TOTAL IN PRESENT DOLLARS FOR 40 YEARS:										\$ 84,441

DATE: July 9, 2003

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C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
1A. FENCE (SHARED COST)										
Replace 6'0" fencing and barbed wires (at 20 and 40 years - 2 times)	469	LF	19.50	9,146	0.350	164.150	17.85	2,930	4.40	2,064
Replace 4'0" man gates (at 20 and 40 years - 2 times)	3	EA	320.00	960	6.000	18.000	17.85	321	50.00	150
1B. TANK FARM FRAMING, STEPS, DIKES, PILES, ETC. (SHARED COSTS)										
Major repairs to 1/4" platform, steel framing and piling (at 20 and 40 years - 2 times)	7,550	SF	10.50	79,275	0.400	3020.000	17.85	53,907	1.25	9,438
Ditto steel dikes (at 20 and 40 years - 2 times)	1,527	SF	14.20	21,683	0.850	1297.950	17.85	23,168	0.70	1,069
Replace steps, grating and dispenser enclosure (at 20 and 40 years - 2 times)	590	SF	32.50	19,175	0.450	265.500	17.85	4,739	2.50	1,475
Realign steel piling and replace 4"x12" pressure treated timber boardwalk decking (at 40 years - 1 time) (shared cost)	343	SF	8.65	2,967	0.300	102.900	17.85	1,837	0.45	154
SUBTOTAL 1A & B. FENCE, STEPS, DIKES, ETC.:				133,206				86,903		14,349
										234,458

DATE: July 9, 2003

HMS Project No.: 02132 (A)

C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$

2A. TANKS

Replace dual product fuel dispensers and accessories (at 10, 20, 30 and 40 years - 4 times)	1	EA	24000.00	24,000	40.000	40.000	75.00	3,000	1000.00	1,000	28,000
Replace tanks, manholes, ladders, etc., 48,000 gallon (at 40 years - 1 time - 8 tanks)	1	EA	516000.00	516,000	2200.000	2200.000	75.00	165,000	20000.00	20,000	701,000
Replace triple product tank, 21,000 gallons (at 40 years - 1 time - 1 tank)	1	EA	62000.00	62,000	120.000	120.000	75.00	9,000	1500.00	1,500	72,500
Ditto intermediate storage, 10,000 gallons (at 40 years - 1 time - 1 tank)	1	EA	18500.00	18,500	48.000	48.000	75.00	3,600	750.00	750	22,850

2B. PIPELINES AND HEADERS

Replace 4" below grade barge lines (at 20 and 40 years - 2 times - 2 pipes - shared cost)	140	LF	43.75	6,125	0.950	133.000	17.85	2,374	5.00	700	9,199
Ditto 2" fuel dispensing lines (4)	360	LF	29.00	10,440	0.600	216.000	17.85	3,856	3.00	1,080	15,376
Repair helical anchors and supports for above grade pipelines (at 20 and 40 years - 2 times)	250	EA	85.00	21,250	2.500	625.000	17.85	11,156	15.00	3,750	36,156
Replace 2" diameter above grade fuel transfer line at tanks (at 20 and 40 years - 2 times - 1 pipe)	572	LF	29.00	16,588	0.600	343.200	17.85	6,126	3.00	1,716	24,430

DATE: July 9, 2003

HMS Project No.: 02132 (A)

C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
2B. PIPELINES AND HEADERS (Continued)										
Replace 3" diameter above grade fuel transfer line to intermediate tanks (at 20 and 40 years - 2 times - 1 pipe)	0	LF	32.00		0.700		17.85		4.50	
Ditto 4" (at 20 and 40 years - 1 time - 2 pipes)	1,990	LF	43.75	87,063	0.950	1890.500	17.85	33,745	5.00	9,950
										130,758
Replace barge manifold (at 20 and 40 years - 2 times - shared cost)	1	EA	1650.00	1,650	16.000	16.000	17.85	286		
										1,936
2C. INSPECTION (OUTSIDE CONTRACTOR)										
Major inspection of tanks by outside group including per diem and travel costs (at 10, 20 and 30 years - 3 times - 11 tanks) (shared cost)	1	LOT	1925.00	1,925	44.000	44.000	75.00	3,300	250.00	250
										5,475
SUBTOTAL 2. TANKS, PIPELINES & INSPECTION:				765,541				241,443		40,696
										1,047,680
3. ELECTRICAL SYSTEMS										
Replace wiring, panels and circuit breakers for pumps and dispensers (at 20 and 40 years - 2 times - 6 each)	1	EA	15000.00	15,000	144.000	144.000	75.00	10,800	500.00	500
										26,300
SUBTOTAL 3. ELECTRICAL SYSTEMS:				15,000				10,800		500
										26,300

DATE: July 9, 2003

HMS Project No.: 02132 (A)

C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
SUMMARY (One time cost - multiply by times to be replaced)										
1A & B. FENCE, STEPS, DIKES, ETC.										\$ 234,458
2A & B. TANKS AND PIPELINES										1,047,680
3. ELECTRICAL SYSTEMS										26,300
TOTAL RENEWAL:										\$ 1,308,437

FINAL SUBMITTAL
BULK FUEL OPERATION & MAINTENANCE
AND REPLACEMENT & RENEWAL COSTS
COUNCIL TANK FARM PORTION
AKIACHAK, ALASKA

COST CONSULTANT

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CLIENT

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July 9, 2003

HMS Project No.: 02132 (B)

NOTES REGARDING THE PREPARATION OF THIS ESTIMATE

These Operations/Maintenance and Replacement/Renewal costs are based on portion of Council Bulk Fuel Facility revised schematic drawings prepared by LCMF Inc., and provided by Aurora Consulting of Anchorage, Alaska. O&M does not include costs that could incur due to unexpected events such as natural disaster, vandalism, etc.

Each work item is priced using "Force Account" local labor with exception of major testing, replacement, etc., which are priced using outside consultant/contractor rates, per diem and travel costs. "Force Account" labor rates are assumed as an average hourly rate for each village scenario.

O&M costs are established on yearly basis in 2003 dollars and should be projected to the initial 40 years of the facility using appropriate inflation factor over next 40 years.

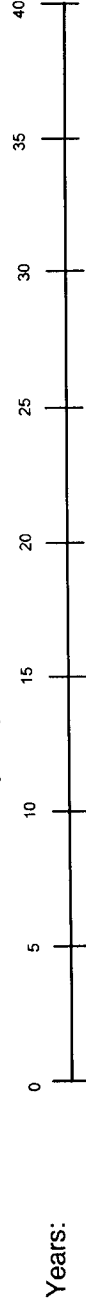
Renewal costs are based on repairing tank farm equipment every two to eight times over 40 years.

Replacement costs are based one to four times over 40 years.

Please note that this report excludes all work to the existing tank farm, O&M, and R&R costs for non-related tank farm work.

ESTIMATING ASSUMPTIONS

Operation/Maintenance Costs: All costs are on yearly basis for one time event only.



Renewal/Replacement Costs: Total cost column represents one time event only. Years in parentheses indicate number of times to be renewed/replaced. Therefore, the Business Plan should apply the total dollars and multiply by the number of years item to be renewed or replaced.

HMS Project No.: 02132 (B)

SUMMARY

	One Time Cost	TOTAL COST (In 2003 Dollars)
A. Operations & Maintenance Costs (Yearly)	4,170 x 40 Years =	\$ 166,819
B. Renewal Costs (Over 40 Years)		See Business Plan Table
C. Replacement Costs (Over 40 Years)		See Business Plan Table
TOTAL O&M AND RENEWAL/REPLACEMENT COSTS (2003 DOLLARS):		
See Business Plan Table		

NOTE: Items B and C costs are for multiple events over 40 years period. See Business Plan Tables for actual costs including inflation factor and number of occurrences/event.

HMS Project No.: 02132 (B)

DATE: July 9, 2003

A. Operations & Maintenance Costs (Yearly)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
NOTE: These projections are based on portion of Council fuel facility tank farm comprising (1) 48,000 gallon tank, (1) 10,000 gallon and (1) 4,000 gallon intermediate tank with fill and dispensing lines and pumping system (total shell capacity 62,000 gallons).										
All costs are projected on yearly basis using local labor and construction equipment rented from local resources.										
<u>1. TANK FARM MAINTENANCE</u>										
Annual maintenance (shared cost)	12	Mos			1.500	18.000	17.85	321		321
SUBTOTAL 1. TANK FARM MAINTENANCE (YEARLY):								321		321
<u>2. TANKS, PIPELINES AND INSPECTIONS</u>										
Fuel delivery (15,000 gallons - 2 times - shared cost by volume)	1	LOT			2.000	2.000	17.85	36		36
Perform minor repairs, replace faulty valves and gauges (1 time/year - 3 tanks - 6 valves)	1	LOT	480.00	480	8.000	8.000	17.85	143	50.00	673
Annual inspection/pressure testing, 3 tanks (shared costs - 1 outside person)	1	LOT	165.00	165	8.000	8.000	75.00	600	50.00	815
SUBTOTAL 2. TANKS, PIPELINES, ETC. (YEARLY):								779	100	1,524

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A. Operations & Maintenance Costs (Yearly)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
3. OTHER COSTS										
Operator training (shared cost)	1	EA			2.000	2.000	45.00	90		90
Administration - clerical (shared cost)	12	Mos			1.500	18.000	16.80	302		302
Supervision (shared cost)	12	Mos			1.000	12.000	19.44	233		233
Annual audit (in Anchorage - shared cost)	1	EA			2.000	2.000	100.00	200		200
Tankage insurance (through put)	15,000	Gal	0.10	1,500						1,500
SUBTOTAL 3. OTHER COSTS (YEARLY):				1,500				826		2,326

SUMMARY (YEARLY)

1. TANK FARM MAINTENANCE	\$ 321
2. TANKS, PIPELINES AND INSPECTIONS	1,524
3. OTHER COSTS	2,326

TOTAL IN PRESENT DOLLARS/YEAR: \$ 4,170

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HMS Project No.: 02132 (B)

B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
1A. FENCE (SHARED COST)										
Repair fence and gates (at 10 and 30 years - 2 times)	72	LF	3.75	270	0.250	18.000	17.85	321	1.60	115
										707
1B. TANK FARM FRAMING, STEPS, DIKES, PILES, ETC. (SHARED COSTS)										
Minor repairs to framing and piling (at 10 and 30 years - 2 times)	1,144	SF	1.70	1,945	0.150	171.600	17.85	3,063	0.50	572
										5,580
Ditto steel dikes (at 10 and 30 years - 2 times)	77	LF	3.20	246	0.450	34.650	17.85	619	0.35	27
										892
Repair steps and landings (at 5, 15, 25 and 35 years - 4 times)	90	SF	13.50	1,215	0.800	72.000	17.85	1,285	2.00	180
										2,680
Repair 4'0" boardwalks (at 5, 15, 25 and 35 years - 4 times)	114	SF	1.15	131	0.070	7.980	17.85	142	0.25	29
										302
SUBTOTAL 1A & B. FENCE, STEPS, DIKE, ETC.:				3,807				5,431		923
										10,160

2A. TANKS

Replace pumps (at 10, 20, 30 and 40 years - 4 times - 1 pump)	1	LOT	1050.00	1,050	6.000	6.000	17.85	107	75.00	75	1,232
Replace miscellaneous valves and gauges (at 10, 20, 30 and 40 years - 4 times - 3 tanks - 6 valves)	1	LOT	1800.00	1,800	12.000	12.000	17.85	214	50.00	50	2,064

HMS Project No.: 02132 (B)

B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
2B. PIPELINES AND HEADERS										
Check barge fill manifold and repair (at 10 and 30 years - 2 times - 1 each) (shared cost)	1	LOT	100.00	100	2.000	2.000	17.85	36	30.00	30
Check and repair tank fill lines and fittings (2750" - at 10 and 30 years - 2 times - 3 tanks)	1	LOT	750.00	750	12.000	12.000	17.85	214	100.00	100
										1,064
SUBTOTAL 2. TANKS AND PIPELINES:				3,700				571		255
										4,526
3. ELECTRICAL MAINTENANCE										
Check electrical systems serving pumps and repair as necessary (at 5, 10, 15, 25, 30 and 35 years - 6 times - 1 each)	1	LOT	350.00	350	6.000	6.000	22.50	135	50.00	50
										535
SUBTOTAL 3. ELECTRICAL MAINTENANCE:				350				135		50
										535

BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS - COUNCIL TANK FARM PORTION
AKIACHAK, ALASKA
FINAL SUBMITTAL

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B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
SUMMARY (One time cost - multiply by number of times to be renewed)										
1A & B. FENCE, STEPS, DIKES, ETC.										\$ 10,160
2A & B. TANKS AND PIPELINES										4,526
3. ELECTRICAL MAINTENANCE										535
TOTAL IN PRESENT DOLLARS FOR 40 YEARS:										\$ 15,222

AKIACHAK, ALASKA
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C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$	
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price		Cost \$
1A. FENCE (SHARED COST)											
Replace 6'0" fencing and barbed wires (at 20 and 40 years - 2 times)	72	LF	19.50	1,404	0.350	25.200	17.85	450	4.40	317	2,171
Replace 4'0" man gates (at 20 and 40 years - 2 times)	1	EA	320.00	320	6.000	6.000	17.85	107	50.00	50	477
1B. TANK FARM FRAMING, STEPS, DIKES, PILES, ETC. (SHARED COSTS)											
Major repairs to 1/4" platform, steel framing and piling (at 20 and 40 years - 2 times)	1,144	SF	10.50	12,012	0.400	457.600	17.85	8,168	1.25	1,430	21,610
Ditto steel dikes (at 20 and 40 years - 2 times)	231	SF	14.20	3,280	0.850	196.350	17.85	3,505	0.70	162	6,947
Replace steps and grating (at 20 and 40 years - 2 times)	90	SF	32.50	2,925	0.450	40.500	17.85	723	2.50	225	3,873
Realign steel piling and replace 4"x12" pressure treated timber boardwalk decking (at 40 years - 1 time) (shared cost)	114	SF	8.65	986	0.300	34.200	17.85	610	0.45	51	1,648
SUBTOTAL 1A & B. FENCE, STEPS, DIKES, ETC.:				20,927				13,563	2,235		36,725

AKIACHAK, ALASKA

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DATE: July 9, 2003

HMS Project No.: 02132 (B)

C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	

2A. TANKSReplace dual product fuel dispenser
(at 10, 20, 30 and 40 years - 4 times)

1000.00

Replace tanks, manholes, ladders,
etc., 48,000 gallon (at 40 years -
1 time - 1 tank)

87,625

Ditto, 10,000 gallon (1 tank)

24,250

Ditto, 4,000 gallon (1 tank)

17,500

2B. PIPELINES AND HEADERSReplace 4" below grade barge line
(at 20 and 40 years - 2 times - 2 pipes)
(shared cost)

2,628

Replace 2" above grade fuel
dispensing line (1 pipe)

3.00

Repair helical anchors and supports
for pipelines (at 20 and 40 years -
2 times)

15,909

Replace 2" diameter above grade
fuel transfer line at tanks (at 20 and 40
years - 2 times - 1 pipe)

5,339

AKIACHAK, ALASKA

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C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
2B. PIPELINES AND HEADERS (Continued)										
Replace 4" diameter above grade fuel transfer line to intermediate tanks (at 20 and 40 years - 2 times - 1 pipe)	1,105	LF	43.75	48,344	0.950	1049.750	17.85	18,738	5.00	5,525
										72,607
Replace barge manifold (at 20 and 40 years - 2 times - shared cost)	1	EA	250.00	250	2.000	2.000	17.85	36		286
2C. INSPECTION (OUTSIDE CONTRACTOR)										
Major inspection of tanks by outside group including per diem and travel costs (at 10, 20 and 30 years - 3 times - 3 tanks) (shared cost)	1	LOT	525.00	525	12.000	12.000	75.00	900	100.00	100
										1,525
SUBTOTAL 2. TANKS, PIPELINES & INSPECTION:				158,344				57,725	11,600	227,668

3. ELECTRICAL SYSTEMS

Replace wiring, panels and circuit breakers for pumps, etc. (at 20 and 40 years - 2 times - 1 each)	1	EA	2500.00	2,500	24.000	24.000	75.00	1,800	100.00	100	4,400
SUBTOTAL 3. ELECTRICAL SYSTEMS:				2,500				1,800		100	4,400

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C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
<div>SUMMARY</div> <div>(One time cost - multiply by times to be replaced)</div> <div>1A & B. FENCE, STEPS, DIKES, ETC.</div> <div>2A & B. TANKS AND PIPELINES</div> <div>3. ELECTRICAL SYSTEMS</div> <div>TOTAL RENEWAL:</div>										
										\$ 36,725
										227,668
										4,400
										\$ 268,794

FINAL SUBMITTAL
BULK FUEL OPERATION & MAINTENANCE
AND REPLACEMENT & RENEWAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION
AKIACHAK, ALASKA

COST CONSULTANT

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July 9, 2003

HMS Project No.: 02132 (C)

NOTES REGARDING THE PREPARATION OF THIS ESTIMATE

These Operations/Maintenance and Replacement/Renewal costs are based on portion of Yupiit School District Bulk Fuel Facility revised schematic drawings prepared by LCMF Inc., and provided by Aurora Consulting of Anchorage, Alaska. O&M does not include costs that could incur due to unexpected events such as natural disaster, vandalism, etc.

Each work item is priced using "Force Account" local labor with exception of major testing, replacement, etc., which are priced using outside consultant/contractor rates, per diem and travel costs. "Force Account" labor rates are assumed as an average hourly rate for each village scenario.

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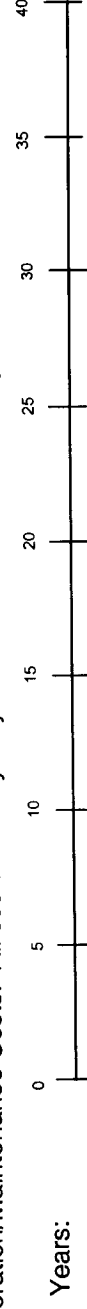
Renewal costs are based on repairing tank farm equipment every two to eight times over 40 years.

Replacement costs are based one to four times over 40 years.

Please note that this report excludes all work to the existing tank farm, O&M, and R&R costs for non-related tank farm work.

ESTIMATING ASSUMPTIONS

Operation/Maintenance Costs: All costs are on yearly basis for one time event only.



Renewal/Replacement Costs: Total cost column represents one time event only. Years in parentheses indicate number of times to be renewed/replaced. Therefore, the Business Plan should apply the total dollars and multiply by the number of years item to be renewed or replaced.

BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
FINAL SUBMITTAL

HMS Project No.: 02132 (C)

SUMMARY

	One Time Cost	TOTAL COST (In 2003 Dollars)
A. Operations & Maintenance Costs (Yearly)	3,453 x 40 Years =	\$ 138,105
B. Renewal Costs (Over 40 Years)		See Business Plan Table
C. Replacement Costs (Over 40 Years)		See Business Plan Table
TOTAL O&M AND RENEWAL/REPLACEMENT COSTS (2003 DOLLARS):		
		See Business Plan Table

NOTE: Items B and C costs are for multiple events over 40 years period. See Business Plan Tables for actual costs including inflation factor and number of occurrences/event.

**BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
FINAL SUBMITTAL**

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HMS Project No.: 02132 (C)

A. Operations & Maintenance Costs (Yearly)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$	
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price		Cost \$
NOTE: These projections are based on portion of School fuel facility tank farm comprising (2) 48,000 gallon tanks, (2) 12,000 gallon and (1) 15,000 gallon intermediate tanks and (1) 9,000 gallon fleet dispenser with fill and dispensing lines and pumping system (total shell capacity 144,000 gallons).											
All costs are projected on yearly basis using local labor and construction equipment rented from local resources.											
1. <u>GROUND MAINTENANCE</u>											
Annual maintenance (shared cost)	12	Mos			2.500	30.000	17.85	536		536	
SUBTOTAL 1. GROUND MAINTENANCE (YEARLY):								536	536		
2. <u>TANKS, PIPELINES AND INSPECTIONS</u>											
Fuel delivery (107,500 gallons - 1 time - shared cost by volume)	1	LOT			9.000	9.000	17.85	161		161	
Perform minor repairs, replace faulty valves and gauges (1 time/year - 6 tanks - 8 valves)	1	LOT									
Annual inspection/pressure testing, 6 tanks (shared costs - 1 outside person)	1	LOT	330.00	330	16.000	16.000	75.00	1,200	100.00	100	
SUBTOTAL 2. TANKS, PIPELINES, ETC. (YEARLY):								330	1,361	100	

School Pays

**BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
FINAL SUBMITTAL**

HMS Project No.: 02132 (C)

A. Operations & Maintenance Costs (Yearly)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
3. OTHER COSTS										
Operator training (shared cost)	1	EA			2.000	2.000	45.00	90		90
Administration - clerical (shared cost)	12	Mos			2.000	24.000	16.80	403		403
Supervision (shared cost)	12	Mos			1.000	12.000	19.44	233		233
Annual audit (in Anchorage - shared cost)	1	EA			4.000	4.000	100.00	400		400
Tankage insurance (through put)	107,500	Gal								
SUBTOTAL 3. OTHER COSTS (YEARLY):								1,126		1,126

School Pays

SUMMARY (YEARLY)

1. GROUND MAINTENANCE	\$ 536
2. TANKS, PIPELINES AND INSPECTIONS	1,791
3. OTHER COSTS	1,126

TOTAL IN PRESENT DOLLARS/YEAR: \$ 3,453

**BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
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B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$	
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price		
1A. FENCE (SHARED COST)											
Repair fence and gates (at 10 and 30 years - 2 times)	170	LF	3.75	638	0.250	42.500	17.85	759	1.60	272	1,668
1B. TANK FARM FRAMING, STEPS, DIKES, PILES, ETC. (SHARED COSTS)											
Minor repairs to framing and piling (at 10 and 30 years - 2 times)	2,745	SF	1.70	4,667	0.150	411.750	17.85	7,350	0.50	1,373	13,389
Ditto steel dikes (at 10 and 30 years - 2 times)	185	LF	3.20	592	0.450	83.250	17.85	1,486	0.35	65	2,143
Repair steps and landings (at 5, 15, 25 and 35 years - 4 times)	215	SF	13.50	2,903	0.800	172.000	17.85	3,070	2.00	430	6,403
Repair boardwalks (at 5, 15, 25 and 35 years - 4 times)	0	SF	1.15		0.070		17.85		0.25		
SUBTOTAL 1A & B. FENCE, STEPS, DIKE, ETC.:				8,799				12,665	2,139	23,602	

2A. TANKS

Replace pumps (at 10, 20, 30 and 40 years - 4 times - 4 pump)	1	LOT								
Replace miscellaneous valves and gauges (at 10, 20, 30 and 40 years - 4 times - 6 tanks - 8 valves)	1	LOT								

School Pays

School Pays

**BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
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B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
2B. PIPELINES AND HEADERS										
Check barge fill line and manifold and repair (at 10 and 30 years - 2 times) (shared cost)	1	LOT	150.00	150	3,000	3,000	17.85	54	50.00	50
Check and repair tank fill lines and fittings (200'0" - at 10 and 30 years - 2 times - 6 tanks)	1	LOT	700.00	700	10,000	10,000	17.85	179	75.00	75
SUBTOTAL 2. TANKS AND PIPELINES:				850				232		125
3. ELECTRICAL MAINTENANCE										
Check electrical systems serving pumps and repair as necessary (at 5, 10, 15, 25, 30 and 35 years - 6 times - 4 each)	1	LOT	1400.00	1,400	24,000	24,000	22.50	540	200.00	200
SUBTOTAL 3. ELECTRICAL MAINTENANCE:				1,400				540		200
										2,140

BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
FINAL SUBMITTAL

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B. Renewal Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
SUMMARY (One time cost - multiply by number of times to be renewed)										
1A & B. FENCE, STEPS, DIKES, ETC.										\$ 23,602
2A & B. TANKS AND PIPELINES										1,207
3. ELECTRICAL MAINTENANCE										2,140
TOTAL IN PRESENT DOLLARS FOR 40 YEARS:										\$ 26,949

**BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
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DATE: July 9, 2003

HMS Project No.: 02132 (C)

C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
<u>1A. FENCE (SHARED COST)</u>										
Replace 6'0" fencing and barbed wires (at 20 and 40 years - 2 times)	170	LF	19.50	3,315	0.350	59.500	17.85	1,062	4.40	748
Replace 4'0" man gates (at 20 and 40 years - 2 times)	1	EA	320.00	320	6.000	6.000	17.85	107	50.00	50
<u>1B. TANK FARM FRAMING, STEPS, DIKES, PILES, ETC. (SHARED COSTS)</u>										
Major repairs to 1/4" platform, steel framing and piling (at 20 and 40 years - 2 times)	2,745	SF	10.50	28,823	0.400	1098.000	17.85	19,599	1.25	3,431
Ditto steel dikes (at 20 and 40 years - 2 times)	555	SF	14.20	7,881	0.850	471.750	17.85	8,421	0.70	389
Replace steps and grating (at 20 and 40 years - 2 times)	215	SF	32.50	6,988	0.450	96.750	17.85	1,727	2.50	538
Realign steel piling and replace 4"x12" pressure treated timber boardwalk decking (at 40 years - 1 time) (shared cost)	0	SF	8.65		0.300		17.85		0.45	
SUBTOTAL 1A & B. FENCE, STEPS, DIKES, ETC.:				47,326				30,916		5,155
										83,397

**BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
FINAL SUBMITTAL**

PAGE 9

DATE: July 9, 2003

HMS Project No.: 02132 (C)

C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	

2A. TANKS

Replace dual product fuel dispenser (at 10, 20, 30 and 40 years - 4 times)	1	EA								School Pays
Replace tanks, 48,000 gallon (at 40 years - 1 time - 2 tanks)	1	EA								School Pays
Replace tanks, 12,000 gallon (at 40 years - 1 time - 2 tanks)	1	EA								School Pays
Ditto 15,000 gallon intermediate tank (at 40 years - 1 time - 2 tanks)	1	EA								School Pays
Ditto 9,000 gallon fuel dispenser tank (at 40 years - 1 time - 2 tanks)	1	EA								School Pays

2B. PIPELINES AND HEADERS

Replace 4" below grade barge line (at 20 and 40 years - 2 times - 2 pipes) (shared cost)	95	LF	43.75	4,156	0.950	90.250	17.85	1,611	5.00	475	6,242
Replace 2" below grade fuel dispensing line (at 20 and 40 years - 2 times - 1 pipe)	90	LF									School Pays
Repair helical anchors and supports for pipelines (at 20 and 40 years - 2 times)	150	EA	85.00	12,750	2.500	375.000	17.85	6,694	15.00	2,250	21,694

Akiachak, Limited
Bulk Fuel Facility Business Operating Plan
Appendix B-34

**BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
FINAL SUBMITTAL**

PAGE 10

DATE: July 9, 2003

HMS Project No.: 02132 (C)

C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Unit Price	Cost \$	
2B. PIPELINES AND HEADERS (Continued)										
Replace 2" diameter above grade fuel transfer line at tanks (at 20 and 40 years - 2 times - 2 pipes)	220	LF								School Pays
Replace 4" diameter above grade fuel transfer lines to intermediate tanks (at 20 and 40 years - 2 times - 2 pipes)	3,285	LF								School Pays
Replace barge manifold (at 20 and 40 years - 2 times - shared cost)	1	EA	600.00	600	4.000	4.000	17.85	71		671
2C. INSPECTION (OUTSIDE CONTRACTOR)										
Major inspection of tanks by outside group including per diem and travel costs (at 10, 20 and 30 years - 3 times - 6 tanks) (shared cost)	1	LOT								School Pays
SUBTOTAL 2. TANKS, PIPELINES & INSPECTION:				17,506	8,376			2,725		28,607

3. ELECTRICAL SYSTEMS

Replace wiring, panels and circuit
breakers for pumps, etc. at each
tank (at 20 and 40 years - 2 times -
1 pump)

1	EA									School Pays
SUBTOTAL 3. ELECTRICAL SYSTEMS:										

**BULK FUEL OPERATION AND MAINTENANCE AND REPLACEMENT AND REMOVAL COSTS
YUPIIT SCHOOL DISTRICT TANK FARM PORTION - AKIACHAK, ALASKA
FINAL SUBMITTAL**

PAGE 11

DATE: July 9, 2003

HMS Project No.: 02132 (C)

C. Replacement Costs (Over 40 Years)	QUANTITY		MATERIAL		LABOR			EQUIPMENT		TOTAL \$
	No. of Units	Unit Meas	Unit Price	Cost \$	MH Unit	Total Hrs	Rate	Cost \$	Unit Price	Cost \$
SUMMARY										
(One time cost - multiply by times to be replaced)										
1A & B. FENCE, STEPS, DIKES, ETC.										
										\$ 83,397
2A & B. TANKS AND PIPELINES										
										28,607
3. ELECTRICAL SYSTEMS										
TOTAL RENEWAL:										
										\$ 112,005

ADDITIONAL RELATED AND ATTACHED DOCUMENTS

- 1. Access, Occupancy, and Operations and Maintenance Agreement**
- 2. Covenants of Public Purpose and Use, and Mortgage, Security Agreement, and Fixture Filing**
- 3. Secondary Operator Agreement**
- 4. Site Control Documents**
- 5. Grant Agreement**
- 6. R&R Fund Account -- Sample Documents**

A,O,O&M AGREEMENT

ACCESS, OCCUPANCY, OPERATIONS AND MAINTENANCE AGREEMENT

Akiachak Native Community, Akiachak Limited and the Yupiit School District

WHEREAS the Akiachak Bulk Fuel Storage Facility is to be constructed in Akiachak, Alaska, by the Alaska Energy Authority;

WHEREAS Akiachak, Limited will be the Primary Operator of a Bulk Fuel Storage Facility; which is being constructed for the benefit and use of the Participants, as well as for the greater benefit of the general public, and will be operated in good faith by the Primary Operator;

WHEREAS the Participants are the Akiachak Native Community, Akiachak Limited and the Yupiit School District;

WHEREAS the Alaska Energy Authority is acting as an agent for the Denali Commission, using various Grant funding for the construction of the Bulk Fuel Storage Facility;

WHEREAS the Commission has required that the Primary Operator prepare a Business Operating Plan that provides for operating and maintaining the Facility;

WHEREAS the Akiachak, Limited Bulk Fuel Facility Business Operating Plan, dated July 21, 2003, has been prepared; and

WHEREAS the Business Operating Plan intends that an agreement be entered into between the Participants of the Facility that specifies each Participant's responsibilities regarding operations and maintenance of the Facility and payment for such services and this Access, Occupancy, Operations and Maintenance Agreement is such agreement.

NOW THEREFORE, in consideration of the mutual promises herein and the benefits from the construction and operation of the Bulk Fuel Storage Facility, the Parties agree as follows:

SECTION 1: DEFINITIONS. For purposes of this Agreement, the following definitions apply:

- a. "Agreement" means this Access, Occupancy, Operations and Maintenance Agreement.
- b. "Business Operating Plan", or "Plan", means the Akiachak, Bulk Fuel Facility Business Operating Plan, dated July 21, 2003.
- c. "Concept Design Report", or "CDR", means the concept design and construction cost estimate for the Facility submitted to AEA in November 2001 by CE2 Engineers, Inc. and updates and revisions submitted by LCMF Inc in August 2002 and May 2003.
- d. "Participants" mean the owners of the Facility assets, specifically, the Akiachak Native Community, Akiachak Limited and the Yupiit School District.
- e. "Council" means the Akiachak Native Community.
- f. "Corporation" means the Akiachak, Limited.
- g. "YSD" means the Yupiit School District.
- h. "Commission" means the Denali Commission or its successor.
- i. "AEA" means the Alaska Energy Authority.
- j. "Facility" means the Bulk Fuel Storage Facility to be constructed in Akiachak.

- k. "Common Facilities" means Facility assets that are shared proportionately among the Participants.
- l. "Primary Operator" means the Participant responsible for operating and maintaining both its own and Common Facilities.
- m. "Operations and Maintenance", or "O&M", means expenses that are incurred on a regular basis (administration, audits, etc) and maintenance expenses that are incurred on an annual basis.
- n. "O&M Account" means a separate non-interest bearing account established and maintained for holding and disbursing funds for O&M.
- o. "Renewal and Replacement", or "R&R", means expenses costing greater than \$5,000 and/or that are not replaced on an annual basis.
- p. "R&R Fund" means an interest-bearing invested escrow account established and maintained for holding and disbursing funds for R&R.
- q. "Fiscal Year" means the 12-month period from January 1st through December 31st.

SECTION 2: PROJECT DESCRIPTION

This project will construct the Facility in Akiachak that will replace all of the existing bulk fuel storage facilities of the Participants. The project is described in detail in the Plan and in the CDR (except as noted in the plan), which is a concept design and construction cost estimate for consolidation and upgrade of bulk fuel storage in the community.

SECTION 3: OWNERSHIP

The ownership of Facility assets is described in detail in the Plan, particularly *Section IV. Facility Participants*. As described therein, each participant owns the tanks, pipes, and other equipment enclosed within the secondary containment cell identified in the Plan as containing that participant's assets.

SECTION 4: RESPONSIBILITY FOR OPERATION, MAINTENANCE, REPAIR AND SUSTAINABILITY

The responsibilities for operation, maintenance, repair and sustainability of the Facility and its assets are outlined in the Plan, particularly Section IV. Facility Participants and Section V. Primary Operator. The Primary Operator agrees to operate and maintain the Facility in a prudent manner and to keep all Facility components (except those non-Common Facilities owned and maintained by other Participants) in good working order. The Primary Operator will be responsible for the O&M of the City facilities and for facilities that are common to both Participants, as designated in *Appendix A: Participants' Operational Responsibilities*.

SECTION 5: OCCUPANCY OF AND ACCESS TO PREMISES

For the economic life of its Facility assets, each Participant shall have the right to occupy the real property premises identified in Exhibit A upon which its Facility Assets are located. Each Participant also shall have access to the premises sufficient to enable the Participant to conduct its operations, maintenance, and repairs and to enjoy its other rights and discharge its other responsibilities under this Agreement. Each Participant shall maintain the premises that it occupies or uses in an orderly, neat and clean condition, free of hazard and nuisance. No Participant shall cause, maintain, or permit any public or private nuisance to exist on the premises. Each Participant shall conduct its operations on the premises so as to avoid interference with the other Participants' operations on the premises.

SECTION 6: FINANCIAL RESPONSIBILITY

All Participants agree to pay to the Primary Operator their respective share of costs as specified herein and as per the allocation formula used in the determination of costs in the Plan, and to assume the financial responsibilities of the Participants as outlined in the Plan, particularly *Section IV. Facility Participants* and *Section V. Primary Operator*.

At least once each year, no later than November 30th, the Primary Operator will convene a meeting of the Participants for the purpose of developing a budget of shared costs for the coming fiscal year beginning January 1st. The Participants shall use their best efforts to reach agreement on the annual budget of shared costs. However, if no agreement is reached by December 31st, the Primary Operator shall have the sole authority to establish a reasonable budget of shared costs for the coming fiscal year, based on its best estimate of actual costs for the year, and to collect from each Participant its proportionate share of the budgeted costs. Each Participant shall pay its share of the costs by November 30th.

The annual sum of deposit into the O&M Fund and R&R Fund will depend on actual costs, but for the first year this sum will be set at the levels specified in the Plan. Beginning in year two, the budget for the upcoming year shall be adjusted up or down by the shortfall or surplus of the prior year's budget as compared to actual O&M or R&R costs. In the event of unanticipated budget shortfalls, it may be necessary to adjust the annual budget during the course of the year.

The Primary Operator shall keep the shared cost payments in a separate account, and shall use the payments only for the costs identified above. The Primary Operator shall properly account for all expenditures from this account. The Primary Operator must provide back-up documentation that fairly justifies its annual budget using the allocation methods described in the Plan. Each Participant may review the accounting records, invoices, and other documents associated with the shared costs, and the information upon which the proposed budget of shared costs is based.

SECTION 7: EXCLUSIONS

Operations and maintenance of each Participant's fuel dispensing facilities will be the responsibility of the individual participant and are not part of this Agreement. Neither the AEA nor the Commission will take responsibility for any environmental cleanup and remediation issues; see the Plan, for a discussion of project exclusions, particularly *Section III. Facility Upgrade*.

SECTION 8: BUSINESS OPERATING PLAN

The Business Operating Plan, the "Plan", is incorporated by reference herein and the execution of this Agreement is an agreement to adhere to all of the Terms & Conditions contained in the Plan.

SECTION 9: REPORTING AND AUDITING

The responsibilities and requirements for reporting and auditing are detailed in the Plan, particularly *Section V. Primary Operator* and *Section VIII. Environmental Information*. The Primary Operator shall provide all Participants with copies of the annual financial report and audit.

Each Participant has a right to review and copy, at its own expense, any plans, manuals, reports, and other documents required by or submitted to, any regulatory agency by any other Participant, including but not limited to submittals to the Alaska Department of Environmental Conservation, the U.S. Coast Guard, and the U.S. Environmental Protection Agency.

SECTION 10: DISPUTES

If a dispute arises between the parties to this agreement, the parties will attempt to resolve the dispute through mediation. If that is unsuccessful, a party may bring an action to resolve the dispute in the Superior Court of the State of Alaska.

SECTION 11: LAND

All unresolved land issues will be resolved prior to startup of Facility construction. See Site Control Documents, if needed, for details of land ownership, lease, or other usage terms and conditions.

SECTION 12: SECONDARY OPERATOR

The Secondary Operator, as identified in the Plan, *Section VI. Secondary Operator* shall be the Secondary Operator until such time that it chooses not to act as such or the Commission designates an alternative Secondary Operator. If the Secondary Operator, as designated in the Plan, chooses not to act as Secondary Operator, the Commission must approve its successor.

The Secondary Operator does not have any responsibilities under this Agreement unless and until it is designated to act in the role of the Primary Operator. At that time, its responsibilities will be that of the Primary Operator pursuant to this Agreement and as described in the Plan.

SECTION 13: TERM

This Agreement shall become effective on the date when all Participants have signed this Agreement and shall remain in effect until terminated by the Participants.

SECTION 14: MODIFICATIONS AND IMPROVEMENTS

Each Participant shall have the right to make such modifications, additions and repairs to its facilities as are reasonably necessary to its operations and activities.

If a Participant's property on the premises is destroyed by fire, earthquake, or other cause, the Participant shall remove the debris and clean up the immediate area as soon as possible within 270 days of the occurrence.

SECTION 15: COMPLIANCE WITH LAWS AND ACCEPTED PRACTICES

Each Participant that is responsible for the operation and maintenance of its facilities will conduct its operations in compliance with manufacturer's recommendations and all applicable State and federal laws and regulations. In addition, each such Participant shall at all times conduct its operations in accordance with the safety, fire prevention and oil spill prevention practices generally accepted as proper for such facilities. Each Participant shall comply with the spill prevention and response procedures established in the Facility Response Plan, Operations Manual, and Spill Prevention Control and Countermeasure Plan.

If a release or threatened release of oil or other hazardous substance occurs, the responsible party will promptly take whatever measures are necessary to stop or prevent the release, clean up the release, mitigate the damage caused thereby, and restore the area. "Responsible party" means the Participant whose activities proximately caused the release or threatened release, or if the release or threatened release is not caused by an identifiable activity, the owner of the premises at which the release or threatened release occurs. As described in the Facility Response Plan, in the event of an oil spill, all Participants shall assist one another with manpower and equipment to cleanup spilled fuel.

SECTION 16: SUCCESSORS BOUND

All covenants and provisions of this Access, Occupancy, Operations, and Maintenance Agreement shall extend to and bind the legal representatives, successors, transferees, assigns, and lessees and sublessees of the parties.

SECTION 17: COUNTERPARTS

This agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument

SECTION 18: NOTICES

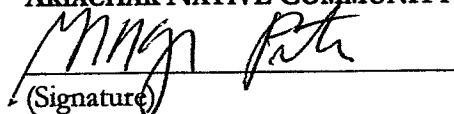
Any and all notices required or permitted under this Agreement, unless otherwise specified in writing by the party whose address is changed, shall be addressed as follows:

Council: Akiachak Native Community
Attn: President
P.O. Box 70
Akiachak, AK 99551

Corporation: Akiachak Limited
Attn: President
P.O. Box 51010
Akiachak, AK 99551

YSD: Yupiit School District
Attn: Superintendent
P.O. Box 51100
Akiachak, AK 99551

AKIACHAK NATIVE COMMUNITY


(Signature)

George Peter
(Name Printed)

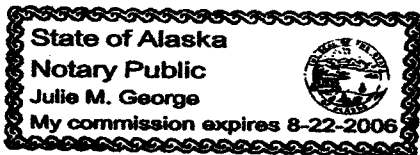
7/28/03
(Date)

Tribal Administrator
(Title)

ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
4 JUDICIAL DISTRICT)

The foregoing Access, Occupancy, Operations and Maintenance Agreement was acknowledged before me this 28 day of July by George Peter Tribal Administrator, the Tribal Administrator of Akiachak Native Community, on behalf of the Akiachak Native Community.



Julie M. George
Signature of Person Authorized To Take Acknowledgment
(AS 09.63.010)

Notary Public
Title or Rank

Serial Number, if any

AKIACHAK LIMITED

Willie Kasayulie
(Signature)

29 July 03
(Date)

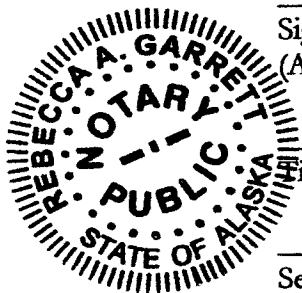
WILLIE KASAYULIE
(Name Printed)

PRESIDENT & CEO
(Title)

ACKNOWLEDGMENT

STATE OF ALASKA)
3rd) ss.
JUDICIAL DISTRICT)

The foregoing Access, Occupancy, Operations and Maintenance Agreement was
acknowledged before me this 29th day of July
Willie Kasayulie, the President & CEO
of Akiachak Limited, on behalf of Akiachak Limited.



Rebecca A. Garrett
Signature of Person Authorized To Take Acknowledgment
(AS 09.63.010)

Notary Public
Title or Rank

expires 1/16/06
Serial Number, if any

YUPIIT SCHOOL DISTRICT

Joseph Slats
(Signature)

7/28/03
(Date)

Joseph Slats
(Name Printed)

Superintendent
(Title)

ACKNOWLEDGMENT

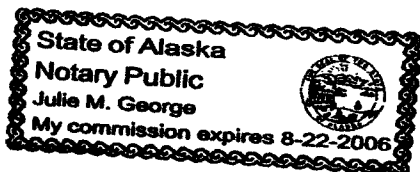
STATE OF ALASKA)
) ss.
4 JUDICIAL DISTRICT)

The foregoing Access, Occupancy, Operations and Maintenance Agreement was
acknowledged before me this 28 day of
July by
George Peter, the Tribal Administrator
of Yupiit School District, on behalf of the Yupiit School District.

Julie M. George
Signature of Person Authorized To Take Acknowledgment
(AS 09.63.010)

Notary Public
Title or Rank

Serial Number, if any



Appendix A

Participants' Operational Responsibilities

Participant System Information				
System	Council	Corp	YSD	Total
Tank volume, gross	48,000	384,000	96,000	528,000
Intermediate tank volume, gross	14,000	10,000	39,000	63,000
Dispenser volume, gross		12,000	9,000	21,000
Subtotals	62,000	406,000	144,000	612,000
Pro-ration	10%	66%	24%	100%
# tanks	3	11+	6+	19+ (Triple Product Tank Shared)
# retail dispensers		1	1	1
# pumps	1	5	3	9
# valves	6	16	8	30

Responsibility for Performing the Work (an "X" means responsible)				
HMS Cost Category Task	Council	Corp	YSD	Allocation Method
O&M				
1 Ground Maintenance	X			Shared cost, prorated by gross volume
2 Fuel delivery	X			Shared cost, prorated by gross volume
Minor repairs, city and corporation	X			City and Corporation contribute
Minor repairs, school			X	School only contributes
Pressure test, all tanks in tank farm	X			Shared cost, prorated by gross volume
3 Training	X			Shared cost, prorated by gross volume
Administration	X			Shared cost, prorated by gross volume
Supervision	X			Shared cost, prorated by gross volume
Annual audit	X			Shared cost, prorated by gross volume
Insurance, council and corporation	X			Council and Corporation contribute
Insurance, school			X	School only contributes
Repairs				
1A Repair fence	X			Shared cost, prorated by gross volume
1B Grade pads	X			Shared cost, prorated by gross volume
Repair catwalk, ladder & dispenser enclosure	X			Shared cost, prorated by gross volume
2A Replace pumps, council and corporation	X			Council and Corporation contribute
Replace pumps, school			X	School only contributes
Replace valves & gauges, council & corp	X			Council and Corporation contribute
Replace valves & gauges, school			X	School only contributes
2B Barge fill line manifold repair	X			Shared cost, prorated by gross volume
Tank fill line manifold	X			Shared cost, prorated by gross volume
3 Electrical maintenance	X			Shared cost, prorated by gross volume
Replacement				
1A Fence replacement	X			Shared cost, prorated by gross volume
1B Pad, catwalk grating & ladder replace	X			Shared cost, prorated by gross volume
Dike wall and liner replacement	X			Shared cost, prorated by gross volume
2A Dispensers, replacement		X		Corporation only contributes
Tanks, replacement, council and corporation	X			Council and Corporation contribute
Tanks, replacement, school			X	School replaces own
Dispensing tanks		X		Corporation only contributes
2B Barge pipe & supports, replace	X			Shared cost, prorated by gross volume
Dispensing lines, replace	X			Corporation only contributes
Fuel transfer lines, replace, council & corp	X			Council and Corporation contribute
Fuel transfer lines, replace, school			X	School only contributes
Valves replace barge/tank lines, council&corp	X			Council and Corporation contribute
Valves-barge & tank lines, replace, school				School only contributes
2C Tank inspection, council and corporation	X			Council and Corporation contribute
Tank inspection, school			X	School only contributes
3 Electrical replacement, council & corporation	X			Council and Corporation contribute
Electrical replacement, school			X	School only contributes

APPENDIX B

REAL PROPERTY LEGAL DESCRIPTIONS Akiachak Bulk Fuel Upgrade Project

The following legal descriptions describe real property to be installed as part of the Akiachak Bulk Fuel Upgrade Project, funded by a grant from the Denali Commission and administered by the Alaska Energy Authority (AEA).

The project includes a new co-located bulk tank farm with separate bulk fuel tanks and containment areas for each project participant, common barge off-loading pipelines and marine headers, fuel distribution systems, distribution pipelines and intermediate tanks, automotive fuel dispensing systems and a truck filling station.

The project participants are as follows:

- Akiachak Limited
- Akiachak Native Community
- Yupiit School District

The attached Real Property Legal Descriptions describe real property for each participant. Shared, or common, property has been included in the Akiachak Limited property legal descriptions. In general, the descriptions include the equipment being described, with a 5 foot area around the item. The tank farm containment areas and dispensing stations do not have the 5 foot additional area where common boundaries with other participant's components exist. The common boundaries defines the limits of the item in these locations.

AKIACHAK LIMITED REAL PROPERTY LEGAL DESCRIPTIONS

PARCEL No. 1-AL

AKIACHAK LIMITED TANK FARM

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 81°34' W 1419.1 feet to the most southeast corner of the fuel oil storage tank site parcel, said point being the **True Point of Beginning** for this description; thence along the most south parcel line approximately WEST 57.0 feet; thence along the west parcel line approximately NORTH 151.0 feet; thence along the north parcel line approximately EAST 96.9 feet; thence along the most east parcel line approximately SOUTH 103.0 feet; thence along the south parcel line approximately EAST 39.9 feet; thence along the east parcel line approximately SOUTH 48.0 feet to the True Point of Beginning, embracing an area of approximately 12,715 square feet, being 0.29 acres, more or less.

EASEMENT No. 1-AL

AKIACHAK LIMITED FUEL DISTRIBUTION PIPELINE

An easement 10 feet wide over that portion of Lot 6, Block 8, U.S. Survey Number 4479 (USS 4479) and that portion of the Phillips Street Right-of-Way, USS 4479, lying northerly of Lot 6, Block 8, USS 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District and that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 3 of USS 4479; thence approximately S 44°58' E 183.9 feet to a point of intersection of the centerline of the distribution pipeline and 4,000 gallon intermediate tank, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately N 28°13' E 5.0 feet; thence along the distribution pipeline approximately S 61°47' E 31.7 feet; thence along the distribution pipeline approximately N 13°59' E 284.7 feet; thence along the distribution pipeline approximately S 87°38' E 110.5 feet to a point at the T-intersection of the centerline of

the distribution pipeline and the distribution pipeline connection to a 10,000 gallon intermediate tank, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the northerly and easterly lines of a parcel surrounding the said 4,000 gallon intermediate tank, embracing an area of approximately 4,252 square feet, being 0.10 acres, more or less.

PARCEL No. 2-AL

AKIACHAK LIMITED POWER PLANT INTERMEDIATE TANK

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 3 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence N 70°05' W 322.7 feet to the southwesterly corner of the intermediate tank site parcel, said corner being the **True Point of Beginning** for this description; thence along the west parcel line approximately N 02°22' E 18.0 feet; thence along the north parcel line approximately S 87°38' E 38.0 feet; thence along the east parcel line approximately S 2°22' W 18.0 feet; thence along the south parcel line approximately N 87°38' W 38.0 feet to the True Point of Beginning, embracing an area of approximately 684 square feet, being 0.02 acres, more or less.

EASEMENT No. 2-AL

AKIACHAK LIMITED RETAIL DISPENSER PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 75°50' E 1343.1 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the Corporation Dual Product Retail Dispenser, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 17.1 feet; thence along the distribution pipeline approximately N 08°07' W 175.1 feet; thence along the distribution pipeline approximately WEST 1.6 feet to a point of intersection of the centerline of the distribution pipeline and the easterly

line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the said Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the Corporation Dual Product Retail Dispenser, embracing an area of approximately 1,912 square feet, being 0.04 acres, more or less.

EASEMENT No. 3-AL

AKIACHAK LIMITED RETAIL DISPENSER PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 75°50' E 1343.6 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the Corporation Dual Product Retail Dispenser, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 17.0 feet; thence along the distribution pipeline approximately N 08°07' W 174.6 feet; thence along the distribution pipeline approximately WEST 1.2 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the Corporation Dual Product Retail Dispenser, embracing an area of approximately 1,895 square feet, being 0.04 acres, more or less.

PARCEL No. 3-AL

AKIACHAK LIMITED RETAIL DISPENSER

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording

District; thence S 76°00' W 1,333.9 feet to the southeast corner of the dual product retail dispenser site parcel, said corner being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 18.0 feet; thence along the west parcel line approximately NORTH 11.0 feet; thence along the north parcel line approximately EAST 18.0 feet; thence along the east parcel line approximately SOUTH 11.0 feet to the True Point of Beginning, embracing an area of approximately 198 square feet, being 0.005 acres, more or less.

EASEMENT No. 4-AL

AKIACHAK LIMITED BARGE OFF-LOADING PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 76°20' E 1341.7 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the Marine Header, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 5.0 feet; thence along the distribution pipeline approximately N 08°08' W 173.7 feet; thence along the distribution pipeline approximately WEST 0.3 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the Marine Header, embracing an area of approximately 1,743 square feet, being 0.04 acres, more or less.

EASEMENT No. 5-AL

AKIACHAK LIMITED BARGE OFF-LOADING PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel

Recording District; thence approximately S 76°20' E 1342.1 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the Marine Header, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 5.0 feet; thence along the distribution pipeline approximately N 08°09' W 173.7 feet; thence along the distribution pipeline approximately WEST 2.0 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the Marine Header, embracing an area of approximately 1,728 square feet, being 0.04 acres, more or less.

PARCEL No. 4-AL

MARINE HEADER

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence S 75°25' W 1,337.3 feet to the southeast corner of the new marine header site parcel, said corner being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 18.0 feet; thence along the west parcel line approximately NORTH 8.0 feet; thence along the north parcel line approximately EAST 18.0 feet; thence along the east parcel line approximately SOUTH 8.0 feet to the True Point of Beginning, embracing an area of approximately 144 square feet, being 0.003 acres, more or less.

AKIACHAK NATIVE COMMUNITY REAL PROPERTY LEGAL DESCRIPTIONS

PARCEL No. 1-ANC

AKIACHAK NATIVE COMMUNITY TANK FARM

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 86°00' W 1331.8 feet to the southeast corner of the fuel oil storage tank site parcel, said point being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 35.4 feet; thence along the west parcel line approximately NORTH 35.8 feet; thence along the north parcel line approximately EAST 35.4 feet; thence along the east parcel line approximately SOUTH 35.8 feet to the True Point of Beginning, embracing an area of approximately 1,264 square feet, being 0.03 acres, more or less.

EASEMENT No. 1-ANC

AKIACHAK NATIVE COMMUNITY WATER PLANT FUEL DISTRIBUTION PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 3 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately N 24°04' W 695.0 feet to a point of intersection of the centerline of the distribution pipeline and the 12,000 gallon intermediate tank, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately N 05°04'56" E 10.01 feet; thence along the distribution pipeline approximately S 82°13' E 64.1 feet; thence along the distribution pipeline approximately S 10°42' W 236.7 feet to a T-intersection of the centerline of the Akiachak distribution pipeline, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the northerly and westerly lines of a parcel surrounding the said 12,000 gallon intermediate tank, embracing an area of approximately 2,894 square feet, being 0.07 acres, more or less.

PARCEL No. 2-ANC

AKIACHAK NATIVE COMMUNITY WATER PLANT INTERMEDIATE TANK

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 3 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence N 24°54' W 661.5 feet to the southeasterly corner of the intermediate tank site parcel, said corner being the **True Point of Beginning** for this description; thence along the south parcel line approximately N 82°13' W 18.0 feet; thence along the west parcel line approximately N 07°47' E 38.0 feet; thence along the north parcel line approximately S 82°13' E 18.0 feet; thence along the east parcel line approximately S 07°47' W 38.0 feet to the True Point of Beginning, embracing an area of approximately 685 square feet, being 0.02 acres, more or less.

EASEMENT No. 2-ANC

AKIACHAK NATIVE COMMUNITY WASHETERIA FUEL DISTRIBUTION PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 3 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately N 69°26' E 360.1 feet to a point at the T-intersection of the centerline of the distribution pipeline and the distribution pipeline connection to a 10,000 gallon intermediate tank, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately S 87°38' 29.82 feet; thence along the distribution pipeline approximately N 12°15' E 63.5 feet; thence along the distribution pipeline approximately N 73°27' W 795.5; thence along the distribution pipeline approximately N 62°47' W 440.8 feet; thence along the distribution pipeline approximately N 82°10' W 415.3 feet; thence along the distribution pipeline approximately S 07°47' W 300.0 feet; thence along the distribution pipeline approximately N 82°13' W 791.4 feet; thence along the distribution pipeline approximately S 76°35' W 139.8 feet; thence along the distribution pipeline

approximately S 21°19' W 248.6 feet; thence along the distribution pipeline approximately S 54°48' W 320.7 feet; thence along the distribution pipeline approximately WEST 113.9 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Akiachak Limited village corporation Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly line of the said parcel surrounding the said Fuel Oil Tank Storage area, embracing an area of approximately 36,684 square feet, being 0.84 acres, more or less.

PARCEL No. 3-ANC

AKIACHAK NATIVE COMMUNITY WASHETERIA INTERMEDIATE TANK

A parcel of land located within Lot 6, Block 8, U.S. Survey Number 4479 (USS 4479), as shown on the official plat of U.S. Survey No. 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 3 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence S 44°12' W 176.1 feet to the northwesterly corner of the intermediate tank site parcel, said corner being the **True Point of Beginning** for this description; thence along the north parcel line approximately S 61°47' E 16.3 feet; thence along the east parcel line approximately S 28°13' W 27.5 feet; thence along the south parcel line approximately N 1°47' W 16.3 feet; thence along the west parcel line approximately N 28°13' E 27.5 feet to the True Point of Beginning, embracing an area of approximately 449 square feet, being 0.01 acres, more or less.

YUPIIT SCHOOL DISTRICT REAL PROPERTY LEGAL DESCRIPTIONS

PARCEL No. 1-YSD

YUPIIT SCHOOL DISTRICT TANK FARM

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 83°08' W 1338.2 feet to the southeast corner of the fuel oil storage tank site parcel, said point being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 35.4 feet; thence along the west parcel line approximately NORTH 67.2 feet; thence along the north parcel line approximately EAST 35.4 feet; thence along the east parcel line approximately SOUTH 67.2 feet to the True Point of Beginning, embracing an area of approximately 2,379 square feet, being 0.05 acres, more or less.

EASEMENT No. 1-YSD

YUPIIT SCHOOL DISTRICT FUEL DISTRIBUTION PIPELINE

An easement 10 feet wide over that portion of the Akiachak School Site, Akiachak School Boundary, filed as Plat No. 83-17BS in the Bethel Recording District, Fourth Judicial District, State of Alaska, and that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately N 42°15' E 217.0 feet to a point of intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the 12,000 gallon intermediate tank, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately N 54°39' E 21.7 feet; thence along the distribution pipeline approximately N 13°59' E 310.6 feet; thence along the distribution pipeline approximately N 82°10' W 143.4 feet; thence along the distribution pipeline approximately S 07°47' W 300.0 feet; thence along the distribution pipeline approximately S 82°13' E 792.4 feet; thence along the distribution pipeline approximately N 82°10' W 143.4 feet; thence along the distribution pipeline

approximately S 76°34' W 139.0 feet; thence along the distribution pipeline approximately S 21°17' W 247.9 feet; thence along the distribution pipeline approximately S 54°18' W 320.9 feet; thence along the distribution pipeline approximately West 78.5 feet; to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the easterly line of the said Fuel Oil Tank Storage area and at the northerly lines of said parcel surrounding the said 12,000 gallon intermediate tank, embracing an area of approximately 23,568 square feet, being 0.54 acres, more or less.

PARCEL No. 2-YSD

YUPIIT SCHOOL DISTRICT HIGH SCHOOL INTERMEDIATE TANK

A parcel of land located within that portion of the Akiachak School Site, Akiachak School Boundary, filed as Plat No. 83-17BS in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately N 45°05' E 172.3 feet to the southeasterly corner of the intermediate tank site parcel, said point being the **True Point of Beginning** for this description; thence along the southerly parcel line approximately N 35°21' W 18.0 feet; thence along the westerly parcel line approximately N 54°39' E 42.0 feet; thence along the northerly parcel line approximately S 35°21' E 18.0 feet; thence along the easterly parcel line approximately S 54°39' W 18.0 feet to the True Point of Beginning, embracing an area of approximately 756 square feet, being 0.01 acres, more or less.

EASEMENT No. 2-YSD

YUPIIT SCHOOL DISTRICT GASOLINE DISPENSER PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 76°05' W 1342.6 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel

surrounding the School Gasoline Fleet Dispenser, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 11.0 feet; thence along the distribution pipeline approximately N 08°07' W 174.6 feet; thence along the distribution pipeline approximately WEST 0.7 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the School Gasoline Fleet Dispenser, embracing an area of approximately 1,819 square feet, being 0.04 acres, more or less.

PARCEL No. 3-YSD

YUPIIT SCHOOL DISTRICT GASOLINE DISPENSER

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence S 75°45' W 1,335.3 feet to the southeast corner of the school gasoline fleet dispenser site parcel, said corner being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 18.0 feet; thence along the west parcel line approximately NORTH 6.0 feet; thence along the north parcel line approximately EAST 18.0 feet; thence along the east parcel line approximately SOUTH 6.0 feet to the True Point of Beginning, embracing an area of approximately 108 square feet, being 0.003 acres, more or less.

COVENANTS

_____ Recording District

After recording, return to:

Denali Commission
510 L. St., Suite 410
Anchorage, AK 99501
Attn. _____

**COVENANT OF PUBLIC PURPOSE AND USE, AND MORTGAGE, SECURITY
AGREEMENT, AND FIXTURE FILING**

This Covenant, dated July 28, 2003 is executed by the Akiachak Native Community ("ANC"), with the address of P.O. Box 70, Akiachak, AK 99551, for the benefit of the Denali Commission ("Commission"), a federal commission established pursuant to Public Law 105-277, 42 USC 3121, located at 510 L St., Suite 410, Anchorage, Alaska 99501, and its successors and assigns.

ANC makes this Covenant based on the following:

The Commission has made grant funding available for energy project upgrades to rural Alaska communities needing funding assistance, including funding for rural bulk fuel storage facility upgrades and rural power system upgrades, through grants administered by the Alaska Energy Authority ("AEA").

The Commission approved financial assistance in an amount not to exceed \$3,973,431 to construct a bulk fuel storage facility in Akiachak, Alaska with an estimated capacity of approximately 612,000 gallons (gross) and to construct and install associated pipelines and components (including two headers adjacent to the tank farm; a pipeline to the school; a pipeline to the power plant, washeteria, and water treatment plant; and a dual fuel retail dispenser) ("Project").

The Project is situated on that real property described in Exhibit "A", attached and incorporated herein by reference, which is owned by Akiachak, Limited. Any reference in this Covenant to the Project includes any interest of ANC in this real property.

The Commission's financial assistance is provided under the terms of a Grant Agreement, dated _____, between AEA and Akiachak Native Community for a grant not to exceed \$4,310,452. The Project is estimated to cost a total of \$4,631,817. It is anticipated that of this total project cost, \$3,973,431 will be paid by the Commission, with the balance paid by other sources.

ANC has accepted the Grant subject to certain terms and conditions stated in the Grant Agreement, including the requirements of federal regulations at 15 C.F.R. Part 24.

Federal and state law and the Grant Agreement provide that the Project shall be constructed, owned, and operated for the benefit of the general public and that Grantee will not sell, transfer, or dispose of the facilities constructed with the grant funding during the economic life of the Project without prior written approval of AEA.

Akiachak Native Community will directly benefit from improvements made with the grant funding. The Project participants who will benefit from the improvements made with the grant funding are Akiachak Native Community, Akiachak, Limited, and the Yupiit School District. The participants' respective rights and obligations are specified in an Access, Occupancy, Operations, and Maintenance Agreement dated July 28, 2003, a Secondary Operator Agreement dated July 28, 2003, and a Business Plan, dated July 21, 2003. The recorded Access, Occupancy, Operations and Maintenance Agreement includes provisions addressing each participant's ownership of and right of access to and occupancy of the Project property. ANC will receive 10 % of the benefits of the grant funding (determined based on its proportionate share of the storage capacity of the improved facility, as discussed in the Business Plan).

In order to assure that the benefits of the Grant will accrue to the public and be used as intended by the Commission and the ANC, ANC agrees to the following.

1. ANC shall not sell, lease, transfer, or otherwise dispose of any of its interest in Project assets during the economic life of the Project without prior written approval of AEA. If it does so, the Commission, in its discretion, may require the ANC to repay the Commission for its fair share of the grant, and ANC agrees to pay the Commission this amount. "Fair share" shall be determined taking into account the remaining expected economic life of the project and the relative benefits of the Project participants as reflected in the participants' agreements. ANC's interest in the Project assets shall secure ANC's payment and performance of its obligations under this Covenant, and this Covenant shall be deemed to be a mortgage, security agreement, and fixture filing. AEA and the Denali Commission are authorized to file financing statements in the name of ANC and to take other actions to perfect and give notice of the terms of this Covenant and the security interest created hereby.
2. Each participant shall have the rights of occupancy of and access to Project premises described in the Access, Occupancy, Operations, and Maintenance Agreement. These rights are necessary to ensure the grant-funded improvements are operated for the public benefit, therefore the Commission is a third party beneficiary of the occupancy and access agreements.
3. This Covenant shall run with the land, and shall inure to the benefit of the successors and assigns of the Commission.
4. ANC agrees that this Covenant is a reasonable restraint on alienation of use, control, possession of or title to the Project and underlying real property.
5. ANC waives sovereign immunity for purposes of enforcement of this covenant.

Being duly authorized, the undersigned representative of ANC signs this Covenant effective on the date written above.

Akiachak Native Community

By: Ming Peter
(Name)

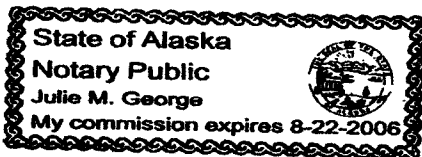
Its: Tribal Administrator
(Title)

ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
4 JUDICIAL DISTRICT)

The foregoing Covenant of Purpose, Use, Access, Mortgage, Security Agreement and Fixture Filing was acknowledged before me this 28 day of July by George Peter, the Tribal Administrator of Akiachak Native Community, on behalf of the Akiachak Native Community.

Julie M. George
Signature of Person Authorized To Take Acknowledgment
(AS 09.63.010)



Notary Public
Title or Rank

Serial Number, if any

_____ Recording District

After recording, return to:

Denali Commission
510 L. St., Suite 410
Anchorage, AK 99501
Attn. _____

**COVENANT OF PUBLIC PURPOSE AND USE, AND MORTGAGE, SECURITY
AGREEMENT, AND FIXTURE FILING**

This Covenant, dated July 28, 2003 is by Akiachak Limited, a corporation established under the Alaska Native Claims Settlement Act, with the address of P.O. Box 51010, Akiachak, AK 99551, for the benefit of the Denali Commission ("Commission"), a federal commission established pursuant to Public Law 105-277, 42 USC 3121, with the address of 510 L St., Suite 410, Anchorage, Alaska 99501, and its successors and assigns.

Akiachak Limited makes this Covenant based on the following:

The Commission approved financial assistance in an amount not to exceed \$3,973,431 to construct a bulk fuel storage facility in Akiachak, Alaska with an estimated capacity of approximately 612,000 gallons (gross) and to construct and install associated pipelines and components (including two headers adjacent to the tank farm; a pipeline to the school; a pipeline to the power plant, washeteria, and water treatment plant; and a dual fuel retail dispenser) ("Project").

The Project is situated on that real property described in Exhibit "A", attached and incorporated herein by reference, which is owned by Akiachak, Limited. Any reference in this Covenant to the Project includes any interest of Akiachak, Limited in this real property.

The Commission's financial assistance is provided under the terms of a Grant Agreement, dated _____, between AEA and Akiachak Native Community for a grant not to exceed \$4,310,452. The Project is estimated to cost a total of \$4,631,817. It is anticipated that of this total project cost, \$3,973,431 will be paid by the Commission, with the balance paid by other sources.

Federal and state law and the Grant Agreement provide that the Project shall be constructed, owned, and operated for the benefit of the general public and that Grantee will not sell, transfer, or dispose of the facilities constructed with the grant funding during the economic life of the Project without prior written approval of AEA.

Akiachak, Limited will directly benefit from improvements made with the grant funding. The Project participants who will benefit from the improvements made with the grant funding

are Akiachak Native Community, Akiachak, Limited, and the Yupiit School District. The participants' respective rights and obligations are specified in a recorded Access, Occupancy, Operations, and Maintenance Agreement dated July 28, 2003, a Secondary Operator Agreement dated July 28, 2003, and a Business Plan, dated July 21, 2003. The Access, Occupancy, Operations and Maintenance Agreement includes provisions addressing each participant's ownership of and right of access to and occupancy of the Project property. Akiachak, Limited will receive 66% of the benefits of the grant funding (determined based on its proportionate share of the storage capacity of the improved facility, as discussed in the Business Plan).

In order to assure that the benefits of the Grant will accrue to the public and be used as intended by the Denali Commission, AEA, and the Grantee, Akiachak Limited agrees to the following.

1. The Project shall be constructed, owned, and operated for the benefit of the general public. Akiachak Limited shall not sell, lease, transfer, or otherwise dispose of an interest in Project assets during the economic life of the Project without prior written approval of the Commission or AEA. If it does so, the Commission, in its discretion, may require the Akiachak, Limited to repay the Commission for its fair share of the grant, and Akiachak, Limited agrees to pay the Commission this amount. "Fair share" shall be determined taking into account the remaining expected economic life of the project and the relative benefits of the Project participants as reflected in the participants' agreements. Akiachak, Limited's interest in the Project assets shall secure Akiachak, Limited's payment and performance of its obligations under this Covenant, and this Covenant shall be deemed to be a mortgage, security agreement, and fixture filing. AEA and the Denali Commission are authorized to file financing statements in the name of Akiachak, Limited and to take other actions to perfect and give notice of the terms of this Covenant and the security interest created hereby.
2. Each participant shall have the rights of occupancy of and access to Project premises described in the Access, Occupancy, Operations, and Maintenance Agreement. These rights are necessary to ensure the grant-funded improvements are operated for the public benefit, therefore the Commission is a third party beneficiary of the occupancy and access agreements.
3. This Covenant shall run with the land, and shall inure to the benefit of the successors and assigns of the Commission.
4. Akiachak, Limited agrees that this Covenant is a reasonable restraint on alienation of its interests in use, control, possession of or title to the Project and underlying real property.

Being duly authorized, the undersigned representative of Akiachak, Limited signs this Covenant effective on the date written above.

Akiachak, Limited

By:

Willie Kasanovic
(Name)

Its:

PRESIDENT & CEO
(Title)

ACKNOWLEDGMENT

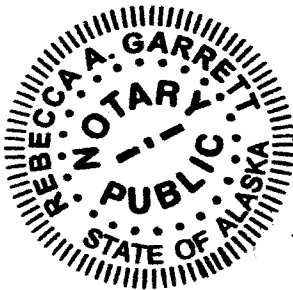
STATE OF ALASKA

3rd JUDICIAL DISTRICT)
) ss.
)

The foregoing instrument was acknowledged before me this 29th day of July by Willie Kasanovic, the President & CEO of Akiachak, Limited, on behalf of the corporation.

Rebecca A. Garrett

Signature of Person Authorized To Take Acknowledgment
(AS 09.63.010)



Notary Public
Title or Rank

expires 1/16/06
Serial Number, if any

_____ Recording District

After recording, return to:

Denali Commission
510 L. St., Suite 410
Anchorage, AK 99501
Attn. _____

**COVENANT OF PUBLIC PURPOSE AND USE, AND MORTGAGE, SECURITY
AGREEMENT, AND FIXTURE FILING**

This Covenant, dated July 28, 2003 is by the Yupiit School District with the address of P.O. Box 51100, Akiachak, AK 99551-0100, for the benefit of the Denali Commission ("Commission"), a federal commission established pursuant to Public Law 105-277, 42 USC 3121, with the address of 510 L St., Suite 410, Anchorage, Alaska 99501, and its successors and assigns.

The Yupiit School District makes this Covenant based on the following:

The Commission approved financial assistance in an amount not to exceed \$3,973,431 to construct a bulk fuel storage facility in Akiachak, Alaska with an estimated capacity of approximately 612,000 gallons (gross) and to construct and install associated pipelines and components (including two headers adjacent to the tank farm; a pipeline to the school; a pipeline to the power plant, washeteria, and water treatment plant; and a dual fuel retail dispenser) ("Project").

The Project is situated on that real property described in Exhibit "A", attached and incorporated herein by reference, which is owned by Akiachak, Limited. Any reference in this Covenant to the Project includes any interest of the Yupiit School District in this real property.

The Commission's financial assistance is provided under the terms of a Grant Agreement, dated _____, between AEA and Akiachak Native Community for a grant not to exceed \$4,310,452. The Project is estimated to cost a total of \$4,631,817. It is anticipated that of this total project cost, \$3,973,431 will be paid by the Commission, with the balance paid by other sources.

Federal and state law and the Grant Agreement provide that the Project shall be constructed, owned, and operated for the benefit of the general public and that Grantee will not sell, transfer, or dispose of the facilities constructed with the grant funding during the economic life of the Project without prior written approval of AEA.

Yupiit School District will directly benefit from improvements made with the grant funding. The Project participants who will benefit from the improvements made with the grant funding are Akiachak Native Community, Akiachak, Limited, and the Yupiit School District. The participants' respective rights and obligations are specified in a recorded Access, Occupancy, Operations, and Maintenance Agreement dated July 28, 2003, a Secondary Operator Agreement dated July 28, 2003, and a Business Plan, dated July 21, 2003. The Access, Occupancy, Operations and Maintenance Agreement includes provisions addressing each participant's ownership of and right of access to and occupancy of the Project property. Yupiit School District will receive 24% of the benefits of the grant funding (determined based on its proportionate share of the storage capacity of the improved facility, as discussed in the Business Plan).

In order to assure that the benefits of the Grant will accrue to the public and be used as intended by the Denali Commission, AEA, and the Grantee, the Yupiit School District agrees to the following.

1. The Project shall be constructed, owned, and operated for the benefit of the general public. The Yupiit School District shall not sell, lease, transfer, or otherwise dispose of an interest in Project assets during the economic life of the Project without prior written approval of the Commission or AEA. If it does so, the Commission, in its discretion, may require the Yupiit School District to repay the Commission for its fair share of the grant, and the Yupiit School District agrees to pay the Commission this amount. "Fair share" shall be determined taking into account the remaining expected economic life of the project and the relative benefits of the Project participants as reflected in the participants' agreements. The Yupiit School District's interest in the Project assets shall secure the Yupiit School District's payment and performance of its obligations under this Covenant, and this Covenant shall be deemed to be a mortgage, security agreement, and fixture filing. AEA and the Denali Commission are authorized to file financing statements in the name of the Yupiit School District and to take other actions to perfect and give notice of the terms of this Covenant and the security interest created hereby.
2. Each participant shall have the rights of occupancy of and access to Project premises described in the Access, Occupancy, Operations, and Maintenance Agreement. These rights are necessary to ensure the grant-funded improvements are operated for the public benefit, therefore the Commission is a third party beneficiary of the occupancy and access agreements.
3. This Covenant shall run with the land, and shall inure to the benefit of the successors and assigns of the Commission.
4. The Yupiit School District agrees that this Covenant is a reasonable restraint on alienation of its interests in use, control, possession of or title to the Project and underlying real property.

Being duly authorized, the undersigned representative of the Yupiit School District signs this Covenant effective on the date written above.

Yupiit School District

By: Joseph Slats
(Name)

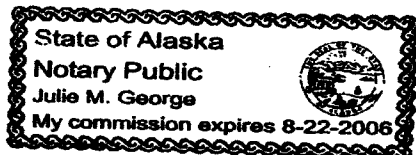
Its: Superintendent
(Title)

ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
4 JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 28 day of July by Joseph Slats, the Superintendent of the Yupiit School District, on behalf of the district.

Julie M. George
Signature of Person Authorized To Take Acknowledgment
(AS 09.63.010)



Notary Public
Title or Rank

Serial Number, if any

EXHIBIT A

REAL PROPERTY LEGAL DESCRIPTIONS

Akiachak Bulk Fuel Upgrade Project

The following legal descriptions describe real property to be installed as part of the Akiachak Bulk Fuel Upgrade Project, funded by a grant from the Denali Commission and administered by the Alaska Energy Authority (AEA).

The project includes a new co-located bulk tank farm with separate bulk fuel tanks and containment areas for each project participant, common barge off-loading pipelines and marine headers, fuel distribution systems, distribution pipelines and intermediate tanks, automotive fuel dispensing systems and a truck filling station.

The project participants are as follows:

- Akiachak Limited
- Akiachak Native Community
- Yupiit School District

The attached Real Property Legal Descriptions describe real property for each participant. Shared, or common, property has been included in the Akiachak Limited property legal descriptions. In general, the descriptions include the equipment being described, with a 5 foot area around the item. The tank farm containment areas and dispensing stations do not have the 5 foot additional area where common boundaries with other participant's components exist. The common boundaries defines the limits of the item in these locations.

AKIACHAK LIMITED REAL PROPERTY LEGAL DESCRIPTIONS

PARCEL No. 1-AL

AKIACHAK LIMITED TANK FARM

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 81°34' W 1419.1 feet to the most southeast corner of the fuel oil storage tank site parcel, said point being the **True Point of Beginning** for this description; thence along the most south parcel line approximately WEST 57.0 feet; thence along the west parcel line approximately NORTH 151.0 feet; thence along the north parcel line approximately EAST 96.9 feet; thence along the most east parcel line approximately SOUTH 103.0 feet; thence along the south parcel line approximately EAST 39.9 feet; thence along the east parcel line approximately SOUTH 48.0 feet to the True Point of Beginning, embracing an area of approximately 12,715 square feet, being 0.29 acres, more or less.

EASEMENT No. 1-AL

AKIACHAK LIMITED FUEL DISTRIBUTION PIPELINE

An easement 10 feet wide over that portion of Lot 6, Block 8, U.S. Survey Number 4479 (USS 4479) and that portion of the Phillips Street Right-of-Way, USS 4479, lying northerly of Lot 6, Block 8, USS 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District and that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 3 of USS 4479; thence approximately S 44°58' E 183.9 feet to a point of intersection of the centerline of the distribution pipeline and 4,000 gallon intermediate tank, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately N 28°13' E 5.0 feet; thence along the distribution pipeline approximately S 61°47' E 31.7 feet; thence along the distribution

pipeline approximately N 13°59' E 284.7 feet; thence along the distribution pipeline approximately S 87°38' E 110.5 feet to a point at the T-intersection of the centerline of the distribution pipeline and the distribution pipeline connection to a 10,000 gallon intermediate tank, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the northerly and easterly lines of a parcel surrounding the said 4,000 gallon intermediate tank, embracing an area of approximately 4,252 square feet, being 0.10 acres, more or less.

PARCEL No. 2-AL

AKIACHAK LIMITED POWER PLANT INTERMEDIATE TANK

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 3 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence N 70°05' W 322.7 feet to the southwesterly corner of the intermediate tank site parcel, said corner being the **True Point of Beginning** for this description; thence along the west parcel line approximately N 02°22' E 18.0 feet; thence along the north parcel line approximately S 87°38' E 38.0 feet; thence along the east parcel line approximately S 2°22' W 18.0 feet; thence along the south parcel line approximately N 87°38' W 38.0 feet to the True Point of Beginning, embracing an area of approximately 684 square feet, being 0.02 acres, more or less.

EASEMENT No. 2-AL

AKIACHAK LIMITED RETAIL DISPENSER PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 75°50' E 1343.1 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel

surrounding the Corporation Dual Product Retail Dispenser, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 17.1 feet; thence along the distribution pipeline approximately N 08°07' W 175.1 feet; thence along the distribution pipeline approximately WEST 1.6 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the said Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the Corporation Dual Product Retail Dispenser, embracing an area of approximately 1,912 square feet, being 0.04 acres, more or less.

EASEMENT No. 3-AL

AKIACHAK LIMITED RETAIL DISPENSER PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 75°50' E 1343.6 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the Corporation Dual Product Retail Dispenser, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 17.0 feet; thence along the distribution pipeline approximately N 08°07' W 174.6 feet; thence along the distribution pipeline approximately WEST 1.2 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the Corporation Dual Product Retail Dispenser, embracing an area of approximately 1,895 square feet, being 0.04 acres, more or less.

PARCEL No. 3-AL

AKIACHAK LIMITED RETAIL DISPENSER

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence S 76°00' W 1,333.9 feet to the southeast corner of the dual product retail dispenser site parcel, said corner being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 18.0 feet; thence along the west parcel line approximately NORTH 11.0 feet; thence along the north parcel line approximately EAST 18.0 feet; thence along the east parcel line approximately SOUTH 11.0 feet to the True Point of Beginning, embracing an area of approximately 198 square feet, being 0.005 acres, more or less.

EASEMENT No. 4-AL

AKIACHAK LIMITED BARGE OFF-LOADING PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 76°20' E 1341.7 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the Marine Header, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 5.0 feet; thence along the distribution pipeline approximately N 08°08' W 173.7 feet; thence along the distribution pipeline approximately WEST 0.3 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the Marine Header, embracing an area of approximately 1,743 square feet, being 0.04 acres, more or less.

EASEMENT No. 5-AL

AKIACHAK LIMITED BARGE OFF-LOADING PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 76°20' E 1342.1 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the Marine Header, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 5.0 feet; thence along the distribution pipeline approximately N 08°09' W 173.7 feet; thence along the distribution pipeline approximately WEST 2.0 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the Marine Header, embracing an area of approximately 1,728 square feet, being 0.04 acres, more or less.

PARCEL No. 4-AL

MARINE HEADER

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence S 75°25' W 1,337.3 feet to the southeast corner of the new marine header site parcel, said corner being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 18.0 feet; thence along the west parcel line approximately NORTH 8.0 feet; thence along the north parcel line approximately EAST 18.0 feet; thence along the east parcel line approximately SOUTH 8.0 feet to the True Point of Beginning, embracing an area of approximately 144 square feet, being 0.003 acres, more or less.

AKIACHAK NATIVE COMMUNITY REAL PROPERTY LEGAL DESCRIPTIONS

PARCEL No. 1-ANC

AKIACHAK NATIVE COMMUNITY TANK FARM

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 86°00' W 1331.8 feet to the southeast corner of the fuel oil storage tank site parcel, said point being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 35.4 feet; thence along the west parcel line approximately NORTH 35.8 feet; thence along the north parcel line approximately EAST 35.4 feet; thence along the east parcel line approximately SOUTH 35.8 feet to the True Point of Beginning, embracing an area of approximately 1,264 square feet, being 0.03 acres, more or less.

EASEMENT No. 1-ANC

AKIACHAK NATIVE COMMUNITY WATER PLANT FUEL DISTRIBUTION PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 3 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately N 24°04' W 695.0 feet to a point of intersection of the centerline of the distribution pipeline and the 12,000 gallon intermediate tank, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately N 05°04'56" E 10.01 feet; thence along the distribution pipeline approximately S 82°13' E 64.1 feet; thence along the distribution pipeline approximately S 10°42' W 236.7 feet to a T-intersection of the centerline of the Akiachak distribution pipeline, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the northerly and

westerly lines of a parcel surrounding the said 12,000 gallon intermediate tank, embracing an area of approximately 2,894 square feet, being 0.07 acres, more or less.

PARCEL No. 2-ANC

AKIACHAK NATIVE COMMUNITY WATER PLANT INTERMEDIATE TANK

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 3 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence N 24°54' W 661.5 feet to the southeasterly corner of the intermediate tank site parcel, said corner being the **True Point of Beginning** for this description; thence along the south parcel line approximately N 82°13' W 18.0 feet; thence along the west parcel line approximately N 07°47' E 38.0 feet; thence along the north parcel line approximately S 82°13' E 18.0 feet; thence along the east parcel line approximately S 07°47' W 38.0 feet to the True Point of Beginning, embracing an area of approximately 685 square feet, being 0.02 acres, more or less.

EASEMENT No. 2-ANC

AKIACHAK NATIVE COMMUNITY WASHETERIA FUEL DISTRIBUTION PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 3 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately N 69°26' E 360.1 feet to a point at the T-intersection of the centerline of the distribution pipeline and the distribution pipeline connection to a 10,000 gallon intermediate tank, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately S 87°38' 29.82 feet; thence along the distribution pipeline approximately N 12°15' E 63.5 feet; thence along the distribution pipeline approximately N 73°27' W 795.5; thence

along the distribution pipeline approximately N 62°47' W 440.8 feet; thence along the distribution pipeline approximately N 82°10' W 415.3 feet; thence along the distribution pipeline approximately S 07°47' W 300.0 feet; thence along the distribution pipeline approximately N 82°13' W 791.4 feet; thence along the distribution pipeline approximately S 76°35' W 139.8 feet; thence along the distribution pipeline approximately S 21°19' W 248.6 feet; thence along the distribution pipeline approximately S 54°48' W 320.7 feet; thence along the distribution pipeline approximately WEST 113.9 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Akiachak Limited village corporation Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly line of the said parcel surrounding the said Fuel Oil Tank Storage area, embracing an area of approximately 36,684 square feet, being 0.84 acres, more or less.

PARCEL No. 3-ANC

AKIACHAK NATIVE COMMUNITY WASHETERIA INTERMEDIATE TANK

A parcel of land located within Lot 6, Block 8, U.S. Survey Number 4479 (USS 4479), as shown on the official plat of U.S. Survey No. 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 3 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence S 44°12' W 176.1 feet to the northwesterly corner of the intermediate tank site parcel, said corner being the **True Point of Beginning** for this description; thence along the north parcel line approximately S 61°47' E 16.3 feet; thence along the east parcel line approximately S 28°13' W 27.5 feet; thence along the south parcel line approximately N 1°47' W 16.3 feet; thence along the west parcel line approximately N 28°13' E 27.5 feet to the True Point of Beginning, embracing an area of approximately 449 square feet, being 0.01 acres, more or less.

YUPIIT SCHOOL DISTRICT REAL PROPERTY LEGAL DESCRIPTIONS

PARCEL No. 1-YSD

YUPIIT SCHOOL DISTRICT TANK FARM

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 83°08' W 1338.2 feet to the southeast corner of the fuel oil storage tank site parcel, said point being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 35.4 feet; thence along the west parcel line approximately NORTH 67.2 feet; thence along the north parcel line approximately EAST 35.4 feet; thence along the east parcel line approximately SOUTH 67.2 feet to the True Point of Beginning, embracing an area of approximately 2,379 square feet, being 0.05 acres, more or less.

EASEMENT No. 1-YSD

YUPIIT SCHOOL DISTRICT FUEL DISTRIBUTION PIPELINE

An easement 10 feet wide over that portion of the Akiachak School Site, Akiachak School Boundary, filed as Plat No. 83-17BS in the Bethel Recording District, Fourth Judicial District, State of Alaska, and that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately N 42°15' E 217.0 feet to a point of intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the 12,000 gallon intermediate tank, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately N 54°39' E 21.7 feet; thence along the distribution pipeline approximately N 13°59' E 310.6 feet; thence along the distribution pipeline approximately N 82°10' W 143.4 feet; thence along the distribution pipeline approximately S 07°47' W 300.0 feet; thence along the distribution

pipeline approximately S 82°13' E 792.4 feet; thence along the distribution pipeline approximately N 82°10' W 143.4 feet; thence along the distribution pipeline approximately S 76°34' W 139.0 feet; thence along the distribution pipeline approximately S 21°17' W 247.9 feet; thence along the distribution pipeline approximately S 54°18' W 320.9 feet; thence along the distribution pipeline approximately West 78.5 feet; to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the easterly line of the said Fuel Oil Tank Storage area and at the northerly lines of said parcel surrounding the said 12,000 gallon intermediate tank, embracing an area of approximately 23,568 square feet, being 0.54 acres, more or less.

PARCEL No. 2-YSD

YUPIIT SCHOOL DISTRICT HIGH SCHOOL INTERMEDIATE TANK

A parcel of land located within that portion of the Akiachak School Site, Akiachak School Boundary, filed as Plat No. 83-17BS in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately N 45°05' E 172.3 feet to the southeasterly corner of the intermediate tank site parcel, said point being the **True Point of Beginning** for this description; thence along the southerly parcel line approximately N 35°21' W 18.0 feet; thence along the westerly parcel line approximately N 54°39' E 42.0 feet; thence along the northerly parcel line approximately S 35°21' E 18.0 feet; thence along the easterly parcel line approximately S 54°39' W 18.0 feet to the True Point of Beginning, embracing an area of approximately 756 square feet, being 0.01 acres, more or less.

EASEMENT No. 2-YSD

YUPIIT SCHOOL DISTRICT GASOLINE DISPENSER PIPELINE

An easement 10 feet wide over that portion of the unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, lying 5 feet on each side of the center line of which is described as follows:

Commencing at Corner 2 of U.S. Survey Number 4479, as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence approximately S 76°05' W 1342.6 feet to a point at the intersection of the centerline of the distribution pipeline and the northerly line of a parcel surrounding the School Gasoline Fleet Dispenser, said point being the **True Point of Beginning** for this description; thence along the distribution pipeline approximately NORTH 11.0 feet; thence along the distribution pipeline approximately N 08°07' W 174.6 feet; thence along the distribution pipeline approximately WEST 0.7 feet to a point of intersection of the centerline of the distribution pipeline and the easterly line of a parcel surrounding the Yupiit School District Fuel Oil Tank Storage area, the side lines of said 10 foot easement to be extended or shortened to meet at angle points and to terminate at the said easterly and southerly lines of the said parcel surrounding the Fuel Oil Tank Storage area and the northerly line of the said parcel surrounding the School Gasoline Fleet Dispenser, embracing an area of approximately 1,819 square feet, being 0.04 acres, more or less.

PARCEL No. 3-YSD

YUPIIT SCHOOL DISTRICT GASOLINE DISPENSER

A parcel of land located within an unsubdivided portion of Township 10 North, Range 69 West, Seward Meridian, Alaska, filed as Interim Conveyance Number 618 in the Bethel Recording District, Fourth Judicial District, State of Alaska, described by metes and bounds as follows:

Commencing at Corner 2 of USS 4479; as shown on the official plat of U.S. Survey 4479, Townsite of Akiachak, Alaska, as accepted by the Chief, Division of Cadastral Survey, for the Director on February 16, 1971 and located within the Bethel Recording District; thence S 75°45' W 1,335.3 feet to the southeast corner of the school gasoline fleet dispenser site parcel, said corner being the **True Point of Beginning** for this description; thence along the south parcel line approximately WEST 18.0 feet; thence along the west parcel line approximately NORTH 6.0 feet; thence along the north parcel line approximately EAST 18.0 feet; thence along the east parcel line approximately SOUTH 6.0 feet to the True Point of Beginning, embracing an area of approximately 108 square feet, being 0.003 acres, more or less.

SECONDARY OPERATOR AGREEMENT

SECONDARY OPERATOR AGREEMENT FOR THE AKIACHAK BULK FUEL STORAGE FACILITY

WHEREAS, the Denali Commission (“Commission”) has provided, or will provide, funds to the Alaska Energy Authority (“Authority”) for a grant by the Authority to the Akiachak Native Community for the upgrading of bulk fuel storage facilities at Akiachak, Alaska (the “Facility”) owned by Akiachak Native Community, Akiachak, Limited and the Yupiit School District; and

WHEREAS, grant funds may also be provided by HUD and/or the State of Alaska, and the financial aspects of those separate grants will be managed and the Facility construction will be overseen by the Commission (which term shall include HUD and/or the State of Alaska in this Secondary Operator Agreement for the Facility, hereinafter the “Agreement”); and

WHEREAS, the Commission has adopted Sustainability Criteria that apply to the use of Commission funds for the Facility, in order to ensure the long-term economic sustainability of the Facility; and

WHEREAS, the Commission and the Akiachak Native Community, Akiachak, Limited and the Yupiit School District have agreed to a Business Plan consistent with the Sustainability Criteria for the operation of the Facility, as contained in the Akiachak Bulk Fuel Facility Business Operating Plan dated July 21, 2003 (“Plan”); and

WHEREAS, the Plan specifies that Akiachak, Limited shall act as the Primary Operator of the Facility, as specified therein, and shall operate the Facility in compliance with the terms and conditions of the Plan; and

WHEREAS, the Commission and Akiachak, Limited agree that, if the Primary Operator is not operating the Facility in compliance with the terms and conditions of the Plan, the Commission may designate a Secondary Operator to assist the Primary Operator or to take over such functions of the Facility operations that the Commission determines are necessary for such time as it determines is necessary, pursuant to the terms and conditions of this Agreement;

NOW THEREFORE, the Commission and Akiachak, Limited agree as follows, in consideration for the mutual promises contained herein and the benefits to the parties resulting from the completion and operation of the Facility:

1. The Primary Operator shall operate the components of the Facility specified in the Plan in accordance with the terms and conditions of the Plan and the requirements contained herein.
2. In addition to, and consistent with its duties specified in the Plan, the Primary Operator shall, in a timely manner:
 - 2.1 properly establish and maintain accurate books and records;
 - 2.2 account for, bill for, and use its best efforts to collect all fuel sales and all other receivables;

- 2.3 deposit moneys into the appropriate accounts, including deposits into the Operations & Maintenance Fund account as well as deposits into the Renewal & Replacement account (as such accounts are defined in the Plan);
 - 2.4 maintain adequate cash reserves for fuel purchases so that emergency fuel shipments are not necessary;
 - 2.5 obtain annual audits showing the absence of any management or financial irregularities;
 - 2.6 perform necessary maintenance of and repairs to the Facility;
 - 2.7 provide or obtain necessary training for Facility operations; and
 - 2.8 meet its financial obligations.
3. If the Commission determines, in the exercise of its sole discretion, that the Primary Operator has failed or is unable to operate the Facility in accordance with the Plan and this Agreement and that this failure or inability significantly threatens the long-term economic sustainability of the Facility, the Commission may contract with and utilize a Secondary Operator.
 4. The Commission has the sole right to transfer the full custody and control of the assets and business operations of the Facility, including but not limited to, the cash, receivables, and inventory of the Facility, to the Secondary Operator and assign the Secondary Operator responsibility for partial or total management of the Facility.
 - 4.1 The Commission may appoint the Secondary Operator to assist the Primary Operator in some or all aspects of the Facility operations or to take over some or all aspects of Facility operation from the Primary Operator, in such a manner and for such period of time as the Commission determines to be necessary and appropriate for operation of the Facility in compliance with the Plan and the long-term economic sustainability of the Facility. (For example, the Secondary Operator may be asked to assist the Primary Operator for a short period of days or weeks in bringing certain aspects of the operations back into compliance. Alternatively, the Secondary Operator may be asked to replace the Primary Operator as Facility operator. The foregoing are intended only as illustrative examples, without limiting the effect of this Agreement.)
 - 4.2 If the Commission utilizes a Secondary Operator, the Primary Operator will transfer the complete control and authority over the following assets to the Secondary Operator: the books and records relating to the Facility operations, accounts receivable, and all account funds. Akiachak, Limited agrees to cooperate with the Commission and the Secondary Operator in the release of the stated assets and the transfer of operations to the Secondary Operator.
 - 4.3 The Secondary Operator will be entitled to reasonable compensation for its services. This compensation will, at a minimum, reimburse the Secondary Operator for any and all expenses associated with their duties as Facility operator, plus a reasonable profit. The profit will not exceed what is considered normal and customary for like service, as determined by the Commission in the exercise of its sole discretion.

- 4.4 The parties anticipate that, if a Secondary Operator is appointed, the Commission will appoint (*to be determined*), which will joint venture with an establish bulk fuel operator. However, the parties acknowledge that (*to be determined*) may not exist or be willing to serve in this capacity at the time a Secondary Operator is needed, or other circumstances may prevent (*to be determined*) from serving as Secondary Operator. Therefore, Akiachak, Limited acknowledges and agrees that the Commission may appoint any qualified entity or entities to serve as Secondary Operator. The Commission will consult with Akiachak, Limited on the replacement to the Secondary Operator; however, the Commission maintains final approval authority for the replacement Secondary Operator.
- 4.5 The Commission will act reasonably and responsibly in its enforcement of the Plan and this Agreement and its designation of a Secondary Operator, consulting with Akiachak, Limited and taking into account the needs and interests of the community of Akiachak as well as the general public interest. If the Commission employs the Secondary Operator, the Commission shall oversee the operations of the Secondary Operator to make sure that it is conducting its operations reasonably, in a cost-efficient manner, and consistent with the needs and interests of the community as well as the general public interest.
5. If a dispute or controversy arises between the parties to this Agreement or among the parties to an agreement with the Secondary Operator, application or enforcement of this Agreement shall be decided through mediation. If mediation is unsuccessful, any party to this Agreement may bring an action to resolve the dispute in the Superior Court of the State of Alaska.
6. This Agreement may be executed simultaneously in two (2) or more counterparts, each of which will be considered an original, but all of which together will constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by fax shall be sufficient to bind the parties to the terms and conditions of this Agreement.
7. No delay on the part of a party in the exercise of any right, power, or remedy shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or remedy preclude other or further exercise thereof or the exercise of any other right, power, or remedy. No amendment, modification, or waiver of, or consent with respect to, any provision of this Agreement shall be effective unless it shall be in writing and signed and delivered by the parties hereto.
8. All notices, demands or requests required or allowed under this Agreement or applicable law from one party to another shall be in writing and delivered in person or sent by mail, certified or registered, postage prepaid, to the parties hereto at the addresses set forth in this Agreement or to such other persons and addresses as either party may designate. Notice shall be deemed to have been given three (3) days after the day of mailing.
9. This Agreement is a contract made under and governed by the laws of the State of Alaska. All obligations and rights of the parties stated herein shall be in addition to, and not in limitation of, those provided by applicable law.
10. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto, and their respective heirs, successors, and assigns.

11. This Agreement represents the entire agreement between the parties, and there are no other agreements, either oral or written, with respect to the subject matter of this Agreement.

This AGREEMENT has been reviewed, agreed to, and executed by the following parties:

for **AKIACHAK, LIMITED**

by

Willie Kasayulie 29 July 03
(Signature) (Date)

WILLIE KASAYULIE PRESIDENT & CEO
(Name Printed) (Title)

for the **DENALI COMMISSION**

by

Al Ewing 7/29/03
(Signature) (Date)

Al Ewing Chief of Staff
(Name Printed) (Title)

for **(TO BE DETERMINED)**

by

(Signature) (Date)

(Name Printed) (Title)

SITE CONTROL DOCUMENTS

Tantikil Unlimited
The Land • The Sea • The People
Larry S. Lau

November 30, 2002

Mr. Wiley Wilhelm, P.E.
Engineering Manager
LCMF, LLC
139 E. 51st Avenue
Anchorage, Alaska 99503

Re: Site Control Report, Akiachak Bulk Fuel Facilities

Wiley:

This letter report and attachments constitute my findings to date regarding land ownership along the route of the proposed pipelines, and at the various tank farm locations. The current route has changed from the original proposal, and is now shown on a black and white aerial photo map dated Nov. 15, 2002 (W.O. No. 02-708) (Appendix D).

Generally, with the exception of the elementary school site, where the pipeline extends south from the main line to the new tanks (Appendix D), the route is apparently owned by the local village corporation, Akiachuk, Ltd. This includes the routing in the Townsite road R-O-Ws, which, according to present legal interpretation, is owned to centerline by the adjacent lot owners. I have been unable to find where these R-O-Ws have ever been legally dedicated by a local governing body for public access; but I'm continuing to search that possibility. The elementary school site is owned by the Alaska Department of Education. The high school site and proposed addition are apparently owned by the local village corporation.

Obviously, this situation of having one landowner to work with for most of the project is very beneficial. I have heard nothing from the Corporation to indicate any disapproval of the proposed improvements.

Mr. Willie Kasayulie, President of Akiachuk, Ltd., is unaware of any leases, permits, easements that the Corporation has given for the improvements just north of the Townsite---power plant, subdivisions, water treatment plant, landfill, sewer lagoon, high school---although he is certain that the Corporation owns the property. I have been unable to identify any documents (recorded or unrecorded) for any of these improvements that legally allow the use of Akiachuk property for the intended purpose. My concern is boundaries---you being able to route and site your facilities without conflicting with the other improvements.

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I will continue to try and locate additional survey, easement, and lease information (if it exists) for these improvements. The fact that the Corporation signed a utilities easement with United Utilities earlier this year for access to land and R-O-Ws that Akiachuk doesn't own concerns me. This doesn't put either organization in a good light regarding knowledge of title information and transactions.

The following is a listing of important findings relevant to the siting of these facilities. Documents supporting these conclusions are found in the appendices.

1. Rights-of-Way within the Townsite have apparently never been dedicated for public access. So each landowner served by these R-O-Ws owns the street to centerline. Resolution of this issue is apparently left to the courts, or each community where the situation exists. Current legal determinations supporting this interpretation are provided in Appendix A.
2. Because the City of Akiachak dissolved January 31, 1990, all their assets automatically transferred to the State of Alaska. These assets included land and improvements. Most likely, the lands involved are now owned by the Alaska Div. of Mining, Land & Water Management. With the present pipeline routing, this project is not affected; but with a route change, it could be. The best State contact person for this issue is Mr. Keith Jost, Municipal Land Trustee Program, 269-4548. Support documentation is found in Appendix B.
3. Since Akiachak is in the Yukon Delta NWR, the Anchorage Environmental Office of the USFWS is supposed to conduct endangered species and wetland reviews of the project.
4. Since the community is within the coastal zone, the project is subject to CZM regulations. The project will need to be reviewed by the Cenaliulriit Coastal Resource Service Area based in St. Mary's. However, this review must be started in Anchorage with the Alaska Div. of Governmental Coordination, Atwood Bldg., Ms. Karen Roberts initial contact person. Their background information is attached as Appendix C. A Coastal Project Questionnaire and Certification Statement must be completed (enclosed) to identify which permits will be needed and the extent of their project review.
5. Since the statewide obligation bonds passed Nov. 5, Akiachak is now in-line to receive an addition to the high school. I understand from the Alaska Dept. of Education that the addition is to be for grades K-8. So, unless there is some other use for the elementary school, there will be no need for service to this facility. But, obviously, the high school tankage (and perhaps power output to the high school),

will need to be expanded.

6. Maps presented here include one of the township in which Akiachak is located; and a land ownership map of the project area (Appendix D).
7. Regarding the chain of title of land ownership, this information is presented in Appendix E.

Included is the patent transferring the Akiachak Townsite from the BLM to the Townsite Trustee.

From the Townsite Trustee to individual lot owners (Tract Book).

Interim Conveyance from the BLM to Akiachuk, Ltd., for the village area (section 36).

Quitclaim Deed from the BIA to the Alaska Dept. of Education for the elementary school site.

1979 Resolutions from the City of Akiachuk and Akiachuk, Ltd., to the BLM promising future site control if the BLM would issue an immediate permit or lease to the State for construction of the high school at its present site. No permit or lease was apparently issued; but the Resolutions promised that Akiachuk, Ltd., would deed the land to the City under 14(C)(3); then the City would lease the site to the State. The Corporation received title to the village area on December 30, 1982, but apparently there never was a conveyance after that to the City (which dissolved on January 31, 1990). So, absent finding anything to the contrary---which I have been searching for over several weeks---I believe that the high school site is owned by Akiachuk, Ltd. This conclusion has been supported by the Alaska Dept. of Education familiar with how schools were built in the late 1970s and early 1980s in the Bethel area.

Calista Corporation, the regional Native corporation for the area, owns the subsurface estate beneath Akiachuk's surface title.

8. The Akiachuk Native Community has a comprehensive plan (Appendix F) that is to be followed when any project is planned in the community. Even though the enclosed Plan is a draft, it is to be followed as is. Specific sections of the Land Code that apply to this project, as identified on page 35, have been requested; but have not arrived. They will be forwarded to you as soon as (if) they arrive.
9. Appendix G is a copy of a general easement agreement between Akiachuk, Ltd., and United Utilities to allow specific communication easements to be established in the future.

Mr. Wiley Wilhelm
November 30, 2002
page 4

10. Appendix H is a copy of a communications easement between United Utilities and Akiachuk, Ltd. It's interesting to note that the Corporation has no ownership of most of the property over which they granted the easement. So bear this in mind as you route your project.
11. Appendix I is an agreement between the Corporation and United Utilities for the joint use of telephone/power poles since Akiachuk, Ltd., provides power and United Utilities communications for the village.
12. A construction deed of trust has errantly been placed on the elementary school site. It was supposed to be placed on the Post Office Subdivision parcel of the Corporation. I don't think anyone is aware of this mistake. The "so what" of this is that the discrepancy will need to be sorted-out when the elementary school pipeline is routed across Akiachuk, Ltd., property west of the Post Office Subdivision (Lot 2a) and the school property to the south. This information is contained in Appendix J.
13. Important site control contacts are listed in Appendix K.
14. Two CE2 Engineers "Basis of Bearings" maps for Akiachak water/sewer improvements are provided in the back report cover pocket (LCMF report copy only).

If additional relevant information is discovered, you will be notified immediately. I continue to try to locate lease and R-O-W documents (if they exist) for Akiachuk property north of the Townsite; and copies of the Native Community of Akiachak Land Code.

Please contact me with any questions.

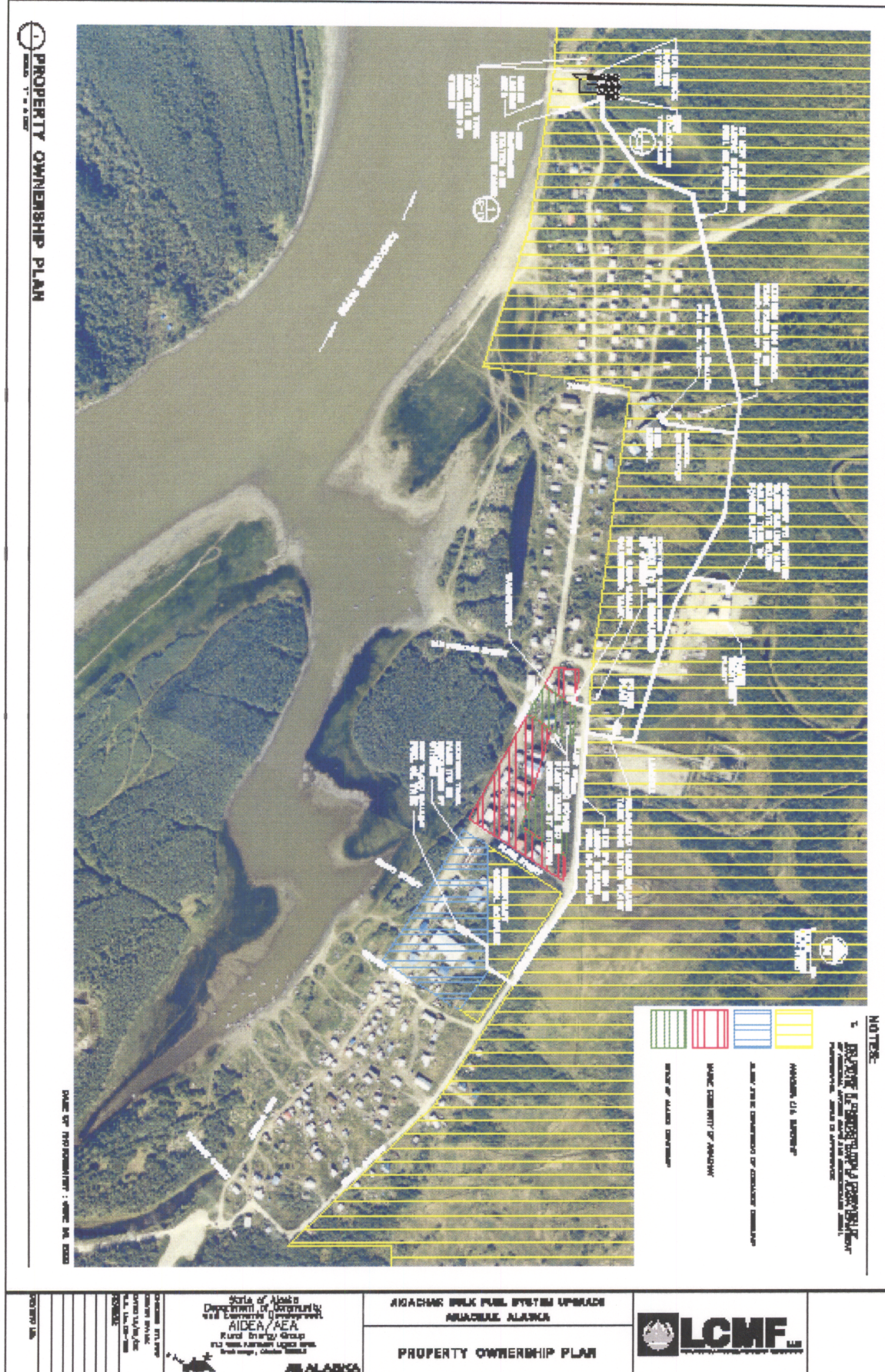
A copy of this report has also been provided the AEA. So you don't need to copy this report.

Thank you very much for this opportunity to help.

Respectfully,



Larry S. Lau



GRANT AGREEMENT

State of Alaska
Alaska Energy Authority



Grant Agreement

Grant Agreement Number 2195160		Amount of Funds \$2,000,000.00	
Project Code(s) 340182	Encumbrance Number/AR	Project Title Akiachak Bulk Fuel Upgrade	
Grantee		Authority Contact Person	
Name Akiachak Native Community		Name Mark Schimscheimer	
Street/PO Box P.O. Box 70		Title Project Manager	
City/State/Zip Akiachak, Alaska 99551		Street/PO Box 813 W. Northern Lights Blvd	
Contact Person George Peter, Tribal Administrator		City/State/Zip Anchorage, AK 99503	
Phone 907-825-4626	Fax 907-825-4029	Phone 907-269-4689	Fax 907-269-3044

AGREEMENT

The Alaska Energy Authority (hereinafter 'Authority') and the Akiachak Native Community (hereinafter 'Grantee') agree as set forth herein.

Section I. Upon receiving notification from the funding source(s) identified in Appendix 2 of the availability of funds, the Authority shall grant to the Grantee funds for the construction of the Project and performance of the Project work under the terms outlined in the attached scope of work. The Authority shall grant funds to pay for expenses incurred by the Grantee that are authorized under this Agreement, in an amount not to exceed \$2,000,000.00, unless the grant amount is amended as provided herein.

Section II. The Grantee shall apply the grant funds to the construction of the Project and perform all of the work and other obligations required by this Agreement.

Section III. Performance under this agreement begins upon signature by the Authority's Executive Director and shall be completed no later than June 30, 2005.

Section IV. The agreement consists of this page and the following:

ATTACHMENTS

Article A: Definitions
Article B: Special Provisions
Article C: General Provisions

AMENDMENTS: Any fully executed amendments to this Agreement

APPENDICES

Appendix 1: Notice of Project Completion
Appendix 2: Funding Sources
Appendix 3: Waiver of Sovereign Immunity
Appendix 4: In-Kind Contributions
Appendix 5: Employer Identification Number App
Appendix 6: EIN Power of Attorney

Grantee	Authority
Signature 	Signature
Printed Name and Title George Peter, Tribal Administrator	Printed Name and Title Ronald W. Miller, Executive Director
Date	Date Aug 1, 2003

ARTICLE A. DEFINITIONS

In this Grant Agreement:

- a) "Authority" means the Alaska Energy Authority, a public corporation of the State of Alaska. The Authority is herein charged with the role and responsibility as both the Grantor and as an agent of the Grantee.
- b) "Denali Commission" means the federal-state commission established under 42 USC 3121 and its successors or assigns.
- c) "Executive Director" means the Executive Director of the Authority or authorized designee.
- d) "Grantee" means the Akiachak Native Community.
- e) "Grantor" means the Alaska Energy Authority.
- f) "Project" means the Akiachak Bulk Fuel Upgrade Project.
- g) "Procurement Manager" means the employee of the Authority who determines disputes as provided in Article C. Section 3.
- h) "State" means the State of Alaska.
- i) "Project Manager" means the employee of the Authority in charge of the Project.
- j) "Design Documents" are the technical documents and drawings specifying how the Project is constructed.
- k) "Construction Manager" means the on-site supervisor of the Project as assigned by the Authority. The Construction Manager may or may not be an employee of the Authority.
- l) "Project Completion" means the Project is complete, the work is complete, and all Project costs have been billed and paid as determined by the Authority.
- m) "Grants Manager" means the employee of the Authority in charge of managing the Grant.

ARTICLE B. SPECIAL PROVISIONS

Subject to appropriation and availability of funds, the Authority agrees to grant to the Grantee the amounts stated herein, and the Grantee agrees to expend grant funds only for eligible costs to perform the Scope of Work as attached and stated herein.

Section 1. Description of Project and Scope of Work.

This grant provides funding to be used for the design and construction of a new code compliant consolidated bulk fuel tank farm in Akiachak, Alaska, as described more fully in the 65% Design Document dated December 9, 2002, and detailed design documents and specifications to be prepared by the Authority.

Section 2. Project Funding Sources.

This Grant is subject to appropriation and availability of funds from the sources of funding shown in Appendix 2. The Authority may redesignate the sources of the grant funding and/or adjust the project budget shown in Appendix 2, and will provide an updated Appendix 2 to the Grantee upon the Grantee's request.

If the Project costs exceed the Grant funds and if additional funds are available to perform the work described in this Agreement, the Authority may grant additional funds to the Grantee to perform this work by issuing and providing to the Grantee an amended Appendix 2 showing the amended Grant amount. Grantee acknowledges that such a grant of additional funds will be pursuant to the terms and conditions of this Agreement, and acknowledges that by accepting the grant funds and the grant-funded Project work it is accepting them subject to the terms and conditions of this Agreement.

Section 3. Grant Disbursements.

- a) The Authority will disburse grant funds as eligible costs are incurred.
- b) The Authority may engage an accounting firm (Trustee) to provide Project related services. If engaged, the Trustee may receive and disburse a portion of Grant funds to cover various project costs which may include payroll and related obligations, including taxes and workers compensation insurance, and other selected project costs as the Authority directs. If engaged, the Trustee may be used to prepare quarterly and annual payroll tax reports for the IRS and the State of Alaska, Department of Labor, as applicable, and W-2 Forms for the Project employees. If engaged, the Trustee will submit such reports and pertinent checks to the appropriate federal and state offices.

If the Authority retains the services of the Trustee, the Authority will be the liaison between the Grantee and the Trustee. The Authority will follow the procurement regulations specified by the funding sources.

- c) The Authority, as agent for the Grantee, will account for and disburse selected Grant funds for any Project costs not covered under (b) of this section in accordance with the funding sources referenced in Appendix 2. The Authority as agent for the Grantee will disburse Grant funds as required by the funding sources.
- d) Upon Project Completion:
 - 1. any Grant funds not expended under this agreement and any interest accruing on the grant funds belong to the Authority and shall be returned to the Authority;
 - 2. the Authority may apply to other projects any other grant monies authorized for the Project but not expended or obligated under this agreement.

Section 4. Eligible Costs Under This Grant.

- a) The Authority, as Grantor, shall have sole discretion to determine which project costs are eligible to be paid for from Grant monies under this agreement. No work shall be performed or initiated without the prior approval from the Authority. Upon approval by the Authority, the following necessary reasonable, actual expenses associated with the design and construction of the Project are eligible for payment or reimbursement from grant funds:
 - 1. Payroll Costs. Payroll costs are comprised of wages paid to Grantee personnel for time worked directly on the Project, plus payroll taxes and insurance, as well as vacation, holiday, sick leave and retirement benefits, if any.
 - 2. Direct Non-Salary Costs. These costs must be directly attributable to the Project and shall include the following:
 - i. The costs associated with consultants, inspectors, surveyors, contractors, subcontractors, and other services required to design and construct the Project.
 - ii. The cost of materials, supplies and freight purchased by, or on behalf of, the Grantee and used in the construction of the Project.
 - iii. The Grantee's costs of reproducing plans, specifications, maps, reports, and other documents.
 - iv. The cost of long distance communication and other utilities needed for construction.
 - v. Purchase or rental of small equipment or tools needed in the construction of the Project.
 - vi. Insurance covering the Grantee and the Authority.
 - 3. The Authority may pay for costs not specifically listed in this section from Grant monies, if in the determination of the Authority the costs are necessary.

- b) Costs not in listed in subsection a) of this section or not deemed eligible by the Authority under a), 3) of this section are not eligible to be paid for from money granted under this agreement.

Section 5. Authority as Grantee's Agent.

- a) The Authority will serve as the Grantee's agent for the design and construction management of the Project, including, but not limited to, where applicable, issuing Invitations to Bid and selecting contractors. The Authority will be responsible for all matters related to the Project design and construction, including, but not limited to: approval of plans and specifications; choices of scheduling, manpower, and methods; procedures for administering the Project; procurement of materials; insurance during construction; disposition of surplus equipment; payment of all Project billings; complying with all federal reporting requirements (except as provided in Article C section 12 or elsewhere herein); performance of final project inspection; and issuance of a Notice of Project Completion. Permitting and other items specified herein are the responsibility of the Grantee. The Construction Manager, who serves as an on-site representative of the Authority, has the right to hire and fire, and establish wage rates and work hours of Project employees.

The Authority shall not be responsible for environmental investigation or remediation of the existing bulk fuel facilities or properties, or for any other environmental matters. In addition, the Authority will not be responsible for the removal and decommission of any existing facilities.

- b) If the funding sources for the Project include Indian Community Development Block Grant monies or Community Development Block Grant monies granted to the Grantee, the Authority may enter into a Grant Management Agreement with the Grantee in relation to some or all of those monies. If such agreement is entered into, the Authority may have additional duties as the agent of the Grantee as outlined in those Agreements which will be attached as an appendix hereto.

Section 6. Grantee's Responsibilities

- a) The Grantee is responsible for securing the real property interests necessary for the construction and operation of the Project, through ownership, leasehold, easement, or otherwise. The Grantee also is responsible for obtaining the required permits and approvals. These permits may include, but are not limited to, Corps of Engineers' Wetlands Permit, State Fire Marshal approval, rights-of-way for the pipelines, and site control, including any necessary Coastal Zone Management coordination through the Division of Governmental Coordination (DGC). The Authority will assist the Grantee in obtaining these permits and approvals.
- b) The Grantee will assist the Authority in obtaining qualified local labor for the Project and will provide necessary local administration assistance, including recommending qualified local personnel; assisting in obtaining necessary personnel information;

assisting in obtaining housing for nonresident workers; facilitating communications between the Authority, the community and local employees; and serving as a liaison between the Authority and the community.

- c) The Grantee will provide, as an in-kind contribution, local equipment (excluding operator, fuel and maintenance) and tools as available to support the Project, and the contribution specified in Appendix 3. The Grantee will not be paid for its contributions of the use of equipment, tools, supplies, materials, or its contributions of services except as agreed to in writing by the Authority. The Authority requires in-kind contributions to demonstrate that the grantee and the community are committed to and invested in the proposed project. Typical in-kind contributions include, but are not limited to: land for the tank farm, the use of heavy equipment as available, lodging, etc. The Authority encourages the grantee and the community to support this project with in-kind contributions to the greatest extent possible.
- d) The Grantee is responsible for reviewing project documents and monitoring the Project work to the extent necessary for the Grantee to determine that the work is proceeding satisfactorily and so that it can perform its responsibilities pertaining to the Project, including its responsibilities to operate and maintain the Project after Project completion. The Grantee will raise with the Authority promptly and prior to Project completion any concerns or issues it may have regarding the Project, and if those concerns or issues are not satisfactorily resolved will promptly give written notice with a detailed description of the concerns or issues to the Authority's contact designated in Article C, section 18.

Section 7. Project Completion Notice.

The Grantee shall sign the Notice of Project Completion located at Appendix 1 within 15 days after it is delivered by the Authority. Upon receipt of the signed signature page, the Authority will close the Grant. The Grant will automatically be closed if the Grantee fails to return the Notice of Project Completion within 30 days after it is delivered by the Authority.

Section 8. Grantee Responsibilities After Project Completion.

- a) The Grantee will not sell, transfer, encumber, or dispose of any of its interest in the facilities constructed with this grant funding during the economic life of the Project without prior written Authority approval.
- b) The Grantee agrees that upon completion of the Project it is responsible for and will perform those activities and functions necessary for the operation and maintenance of the Project for the public benefit, except for those that are expressly the responsibility of another party under this Grant Agreement or any appendices hereto. These responsibilities may not be altered or transferred without the prior written approval of the Denali Commission.

ARTICLE C. GENERAL PROVISIONS

Section 1. Inspection and Retention of Records.

The Grantee shall allow the Authority or its designees to examine all Project related records at any reasonable time for the purpose of copying, audit or inspection. The Grantee shall ensure that the Authority, its contractors and consultants, and any Secondary Operators have reasonable access to Project facilities during construction of the Project, and reasonable access for performance analysis and testing over the life of Project facilities for no cost. The Grantee shall retain all Project related records for four years following the completion date of the Project or until final resolution of any audit, negotiation, claim or other action related to the Project which is started prior to the end of the four year period, whichever is later.

Section 2. State and Authority held harmless.

As a condition of this Grant, the Grantee agrees to defend, indemnify, and hold harmless the Authority and the State of Alaska, and their agents, servants, contractors, and employees, from and against any and all claims, demands, causes of action, actions, and liabilities arising out of, or in any way connected with this grant or the project for which the grant is made, howsoever caused, except to the extent that such claims, demands, causes of action, actions or liabilities are the proximate result of the sole negligence or willful misconduct of the Authority or the State of Alaska.

Section 3. Disputes.

- a) The parties agree that any dispute arising out of this agreement which cannot be resolved by mutual agreement shall be addressed as set forth in this Section. It is further agreed and understood that compliance with this Section shall be a condition precedent to bringing or filing an action or court proceeding for determination of any dispute. The intent of the dispute process set forth in this Section is to facilitate the timely resolution of disputes arising from or out of this agreement.
- b) Disputes which cannot be resolved by agreement shall be decided by the Procurement Manager. The decision shall be in writing and be made not more than 60 days after receipt by the Procurement Manager of all appropriate information (as determined by the Procurement Manager) from the Grantee. Failure of the Grantee to furnish appropriate information (as determined by the Procurement Manager) to the Procurement Manager within 21 days of the receipt of the Procurement Manager's request constitutes a waiver of the Grantee's claim.
- c) The time for issuing the Procurement Manager's decision may be extended for good cause by the Executive Director. The Procurement Manager shall notify the Grantee in writing that the time for the issuance of a decision has been extended and of the date by which a decision shall be issued. The Procurement Manager shall furnish a

copy of the decision to the Grantee by certified mail or other method that provides evidence of receipt. Pending a final decision, the Grantee shall proceed with diligent performance of the agreement in accordance with the Procurement Manager's decision notwithstanding any disagreement with that decision.

- d) The Procurement Manager's decision is final unless, within 30 days of receipt of the decision, the Grantee delivers a Notice of Appeal to the office of the Executive Director. The Grantee shall provide a copy of the appeal to the Procurement Manager.
- e) The appeal must contain a copy of the decision being appealed and identification of the factual or legal errors in the decision that form the basis for the appeal. General assertions that the Procurement Manager's decision is contrary to law or facts are not sufficient.
- f) Except as provided in subsection (g) of this section, a hearing on an appeal to the Executive Director shall be conducted according to the procedures set out in (h) of this article.
- g) Within 15 days after receipt of an appeal on a dispute, the Executive Director may adopt the decision of the Procurement Manager as the final decision without a hearing, if the Executive Director determines that there are no material issues of fact.
- h) The Executive Director may act as the hearing officer and upon hearing the evidence, render findings of fact and conclusions of law, or the Executive Director may appoint an impartial hearing officer to conduct the hearing.
- i) The hearing officer shall arrange for a prompt hearing and notify the parties in writing of the time and place. The hearing will be conducted in an informal manner and will be held in Anchorage, Alaska. Participants outside Anchorage may attend by phone. The hearing officer may conduct the hearing as set forth in AS 36.30.670(b), which is incorporated herein by reference.
- j) If the Executive Director is not acting as the hearing officer, the hearing officer shall recommend a decision to the Executive Director based on the evidence presented. The recommendation must include findings of fact and conclusions of law. The Executive Director may affirm, modify, or reject the hearing officer's recommendations in whole or in part, may remand the matter to the hearing officer with instructions, or take other appropriate action.
- k) The Executive Director's decision shall be sent within 20 days after the hearing to all parties by personal service or certified mail. The decision of the Executive Director is final and conclusive unless appealed to superior court, Third Judicial District at Anchorage within 30 days of receipt of the decision. The laws of the state of Alaska govern this agreement.

Section 4. Termination.

- a) The Grantee shall have no rights to compensation or damages for termination except as provided in this Section.
- b) In addition to all other rights available under law, the Authority may terminate this Agreement or stop work on the Project for the convenience of the Authority or for cause upon ten (10) days written notice.
- c) "Cause" for termination shall exist when the Grantee has failed to perform under this Agreement, has provided incorrect or misleading information or has failed to provide information which would have influenced the Authority's actions. In order for termination to be for cause, the Grantee's failure to perform or the Grantee's provision of incorrect, misleading, or omitted information must be material.
- d) If this Agreement is terminated for cause, the Grantee shall be entitled to no compensation. The Grantee shall reimburse the Authority for all grant funds expended under this Agreement by the Grantee or on the Grantee's behalf including interest accrued from the date of disbursement. The Grantee shall also reimburse the Authority for any costs incurred to collect funds subject to reimbursement, and for any damages incurred by the Authority as a result of the Grantee's failure to perform or provision of incorrect or misleading information. The Authority may require the Grantee to return to the Authority some or all of the project assets if this Agreement is terminated for cause.
- e) If this Agreement is terminated at the sole request of the Authority for the sole reason of its convenience, the Grantee is not required to reimburse the Authority for funds expended prior to the date of termination. If the Grantee has incurred costs under this agreement, the Grantee shall only be reimbursed by the Authority for eligible costs the Grantee incurred prior to the date of termination of the Agreement. However, prior to making any claim or demand for such reimbursement, the Grantee shall use its best effort to reduce the amount of such reimbursement through any means legally available to it. The Authority's reimbursement to the Grantee shall be limited to the encumbered, unexpended amount of funds available under this Agreement.

Section 5. Sovereign Immunity.

By execution of this grant agreement, the Grantee irrevocably waives any sovereign immunity which it may possess, and consents to suit against itself or its officials, under the laws of the State of Alaska, in the courts of the State of Alaska as to all causes of action by the Authority arising out of or in connection with this agreement. If the Grantee is an entity which possesses sovereign immunity, it shall provide the Authority with a resolution of the Grantee's governing body waiving sovereign immunity, and such resolution shall be incorporated into this agreement as an Appendix.

Section 6. Binding Effect.

This Agreement and all of its terms, covenants, conditions and appendices represent the entire Agreement of the parties and shall extend to and be binding upon the respective heirs, executors, administrators, grantees, successors and assigns of the parties to this Agreement.

Section 7. No Assignment or Delegation.

Unless otherwise allowed by this Agreement or in writing by the Authority, any assignment by the Grantee of its interest in any part of this Agreement or any delegation of its duties under this Agreement without such approval shall be void.

Section 8. Grantee Shall Not Act as an Agent of the Authority.

The Grantee, its officers, agents, servants and employees shall act in an independent capacity and not as agents of the Authority in the performance of this Agreement.

Section 9. Rights of Other Parties.

The parties agree that the Denali Commission and any successor is a third party beneficiary of the Grantees obligations in Art. B Sec. 8 (Grantee Responsibilities after Project Completion), Art. C Sec. 1 (Inspection and Retention of Records), Art. C Sec. 10 (Compliance with Applicable Law and Funding Source Mechanisms), and Art. C Sec. 13 (Declaration of Public Benefit); otherwise, no person is a third party beneficiary of this Agreement and this Agreement creates no third party rights. Specifically, any person who is not a party to this Agreement shall be precluded from bringing any action asserting the liability of a party or asserting any right against a party to this Agreement, through the terms of this Agreement. No person, other than a party to this Agreement, may bring any action based upon this Agreement for personal injuries, property damages, or otherwise.

Section 10. Compliance with Applicable Law and Funding Source Requirements.

The Grantee shall comply with all applicable local, state and federal statutes, regulations, ordinances and codes, whether or not specifically mentioned herein including, but not limited to: the Americans with Disabilities Act (ADA) of 1990; Equal Employment Opportunity Executive Orders; Copeland Anti-Kickback Act; Davis-Bacon Act; Contract Work Hours and Safety Standards Act; Clean Air and Clean Water Act; and 15 C.F.R. Part 24. The Grantee agrees to comply with all applicable grant terms and conditions imposed by the Denali Commission and any other funding sources.

Section 11. Audit Requirements.

The Grantee agrees that it will be bound by any audit requirements that may apply to this agreement including 2 AAC 45.010 commonly referred to as the "Single Audit Regulation" and any applicable federal audit requirements. The Grantee acknowledges that it is responsible for compliance with federal and state single audit requirements and all other applicable audit requirements, and agrees to obtain all required audits.

Section 12. Severability.

If any section, paragraph, clause or provision of this Agreement or any agreement referred to in this Agreement shall be finally adjudicated by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall be unaffected by such adjudication and all the remaining provisions of this Agreement shall remain in full force and effect as if such section, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not been included herein.

Section 13. Declaration of Public Benefit.

The parties acknowledge and agree that the Project shall be constructed, owned and operated for the benefit of the general public and will not deny any person use and/or benefit of Project facilities due to race, religion, color, sex, marital status, age or national origin.

Section 14. Nonwaiver.

The failure of either party at any time to enforce a provision of this Agreement shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Agreement, or any part hereof, or the right of such party thereafter to enforce each and every provision hereof.

Section 15. Amendment.

This Agreement may only be modified or amended in writing, executed by the authorized representatives of the parties with the same formality as this Agreement was executed. For the purpose of any amendment, modification or change to the terms and conditions of this Agreement, the authorized representatives are the Executive Director of the Authority or designee, and the Tribal Administrator of the Grantee or written designee of record.

Section 16. Integration.

This instrument and all appendices, amendments, and attachments hereto embody the entire Agreement of the parties concerning the grant funds granted hereunder. There are no promises, terms, conditions, or obligations regarding said funds other than those contained in the documents described above; and such documents shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto.

Section 17. Applicable Law.

This Agreement is to be construed according to the laws of the State of Alaska. Any civil action arising from this Agreement shall be brought in the Superior Court for the Third Judicial District of the State of Alaska at Anchorage.

Section 18. Notices.

Any notice required of either party shall be in writing and, unless proof of receipt of such notice is expressly required by another term of this Agreement, shall be deemed served when deposited in the mail in a sealed envelope, with sufficient first class postage affixed, and addressed to the appropriate party. The notices shall be sent to each party's place of business, which in the case of the Authority shall be:

Deputy Director, Rural Energy
Alaska Energy Authority
813 West Northern Lights Boulevard
Anchorage, Alaska 99503
Phone 907-269-3000
Fax 907-269-3044

and in the case of the Grantee shall be:

George Peter, Tribal Administrator
Akiachak Native Community
P.O. Box 70
Akiachak, Alaska 99551
Phone 907-825-4626
Fax 907-825-4029

Appendix 1

NOTICE OF PROJECT COMPLETION

ALASKA ENERGY AUTHORITY

Date: _____

Project Name Akiachak Bulk Fuel Upgrade Project

Contracting Party Akiachak Native Community

Authority Contract No. 2195160

Agreement Execution Date _____

The ALASKA ENERGY AUTHORITY certifies and acknowledges that the Project referenced above has been completed, and that all tasks have been satisfactorily carried out in accordance with the terms and conditions of Agreement No. 2195160.

Project Manager
Alaska Energy Authority

Date

The Akiachak Native Community certifies that the Project named above is complete in accordance with the terms and conditions of Authority Agreement No. 2195160.

The Akiachak Native Community acknowledges and certifies that all expenses incurred by the Community under the Agreement have been paid in full. The Community further acknowledges that it can make no further claims for reimbursement.

Authorized Signature

(Title)

(Name Printed)

Date

Appendix 2

FUNDING SOURCES AND TOTAL GRANT BUDGET

Project Code 340182	Total AEA Grant	<u>\$2,000,000</u>
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Total Project Budget	\$2,402,142
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Anticipated Funding Allocation:

Denali Commission:	\$2,291,730
State of Alaska	\$ 110,412

Appendix 3

WAIVER OF SOVEREIGN IMMUNITY

WAIVER OF SOVEREIGN IMMUNITY

RESOLUTION NUMBER 03-07-03

A RESOLUTION OF THE AKIACHAK NATIVE COMMUNITY accepting State of Alaska, Alaska Energy Authority Grant number 2195160 for the Akiachak Bulk Fuel Upgrade Project and waiving sovereign immunity from suit for actions arising out of, or in connection with, the Grant.

WHEREAS, the Authority and the Denali Commission requires as a condition of the Grant that the Akiachak Native Community irrevocably waive any sovereign immunity which it may possess, and consent to suit against itself or its officials as to all causes of action arising out of or in connection with the Grant Agreement;

NOW THEREFORE BE IT RESOLVED THAT:

1. THE AKIACHAK NATIVE COMMUNITY (ANC) hereby consents to suit by the State of Alaska and/or by the Denali Commission against ANC and its officials in state court, federal court or in administrative proceedings with respect to any disputes, claims or causes of action (including without limitation enforcement or injunctive relief) arising out of or in connection with Grant Agreement 2195160; the contractual duties assumed by ANC under that agreement, the Secondary Operator Agreement, the Access, Operations, and Maintenance Agreement, the Covenant of Public Purpose, Use, and Access, and any other agreement pertaining to the grant-funded project; or the operation of the facility following construction.
2. ANC hereby consents to levy, execution, or garnishment against ANC's real and personal property, however held and wherever located, for any judgment or order entered in any lawsuit or administrative proceeding related to or arising out of Grant Agreement 2195160; the contractual duties assumed by ANC under that agreement, the Secondary Operator Agreement, the Access, Operations, and Maintenance Agreement, the Covenant of Public Purpose, Use, and Access, and any other agreement pertaining to the grant-funded project; or the operation of the facility following construction, including, but not limited to, awards of attorneys fees and costs entered by any court.
3. ANC consents to the assertion by the State of any defenses, cross-claims, or counterclaims in any civil action that is filed by ANC against the state.
4. With respect to a claim or action by a force account employee or other employee of ANC arising out of or in connection with Grant Agreement 2195160; the contractual duties assumed by ANC under that agreement, the Secondary Operator Agreement, the Access, Operations, and Maintenance Agreement, the Covenant of Public Purpose, Use, and Access, and any other agreement pertaining to the grant-funded project; or the operation of the facility following construction, ANC waives sovereign immunity to

the extent of, and to the extent necessary to secure, insurance coverage including workers compensation insurance.

5. This waiver shall in no case be deemed a waiver or consent to suit, tax, or any other charge against ANC by any party other than the State of Alaska or the Denali Commission, except as specifically provided in (4) above.

6. George Peter is hereby authorized to negotiate, administer and execute on behalf of AKIACHAK NATIVE COMMUNITY Grant number 2195160 for the Akiachak Bulk Fuel Upgrade Project and to negotiate, execute, and administer any other documents, agreements, and contracts required under or related to the Grant Agreement including subsequent amendments.

PASSED AND APPROVED BY THE AKIACHAK NATIVE COMMUNITY On
July 28 2002.3

IN WITNESS THERETO BY: SIGNATURE OF PRESIDENT

Signature George Peter Title Tribal Administrator

Attest: SIGNATURE OF CLERK/SECRETARY

Signature Quay M. Hing Title Business Manager

Appendix 4

GRANTEE IN KIND CONTRIBUTIONS TO THE PROJECT

The Grantee will provide, at no cost to the project the following:

Appendix 5

EMPLOYER IDENTIFICATION NUMBER APPLICATION

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

▶ See separate instructions for each line. ▶ Keep a copy for your records.

EIN

OMB No. 1545-0043

Type or print clearly.

1 Legal name of entity (or individual) for whom the EIN is being requested

Akiachak Native Community

2 Trade name of business (if different from name on line 1)

3 Executor, trustee, "care of" name

Richards, Johnson & Granberry P.C.

4a Mailing address (room, apt., suite no. and street, or P.O. box)

1100 West Barnette Street, Suite 102

5a Street address (if different) (Do not enter a P.O. box.)

4b City, state, and ZIP code

Fairbanks, Alaska 99701

5b City, state, and ZIP code

6 County and state where principal business is located

7a Name of principal officer, general partner, grantor, owner, or trustee

7b SSN, ITIN, or EIN

8a Type of entity (check only one box)

☐ Sole proprietor (SSN)

☐ Partnership

☐ Corporation (enter form number to be filed) ▶

☐ Personal service corp.

☐ Church or church-controlled organization

☐ Other nonprofit organization (specify) ▶

☒ Other (specify) ▶ **Rural Energy Construction Grant**

☐ Estate (SSN of decedent)

☐ Plan administrator (SSN)

☐ Trust (SSN of grantor)

☐ National Guard

☐ State/local government

☐ Farmers' cooperative

☐ Federal government/military

☐ REMIC

☐ Indian tribal governments/enterprises

Group Exemption Number (GEN) ▶

8b If a corporation, name the state or foreign country

State

Foreign country

If applicable, where incorporated

9 Reason for applying (check only one box)

☐ Started new business (specify type) ▶

☐ Hired employees (Check the box and see line 12.)

☒ Compliance with IRS withholding regulations

☐ Other (specify) ▶

☐ Banking purpose (specify purpose) ▶

☐ Changed type of organization (specify new type) ▶

☐ Purchased going business

☐ Created a trust (specify type) ▶

☐ Created a pension plan (specify type) ▶

10 Date business started or acquired (month, day, year)

11 Closing month of accounting year

12 First date wages or annuities were paid or will be paid (month, day, year). **Note:** If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (month, day, year) ▶

13 Highest number of employees expected in the next 12 months. **Note:** If the applicant does not expect to have any employees during the period, enter "0."

Agricultural

Household

Other

14 Check one box that best describes the principal activity of your business

☒ Construction

☐ Rental & leasing

☐ Transportation & warehousing

☐ Real estate

☐ Manufacturing

☐ Finance & insurance

☐ Health care & social assistance

☐ Accommodation & food service

☐ Other (specify)

☐ Wholesale-agent/broker

☐ Wholesale-other

☐ Retail

15 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.

Bulk Fuel Tank Farm Construction

16a Has the applicant ever applied for an employer identification number for this or any other business?

☐ Yes

☒ No

Note: If "Yes," please complete lines 16b and 16c.

16b If you checked "Yes" on line 16a, give applicant's legal name and trade name shown on prior application (if different from line 1 or 2 above)

Legal name ▶

Trade name ▶

16c Approximate date when, and city and state where, the application was filed. Enter previous employer identification number if known.

Approximate date when filed (mo., day, year)

City and state where filed

Previous EIN

Third
Party
Designee

Complete this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.

Designee's name

Stefani Dalrymple/Richards, Johnson & Granberry CPA P.C.

Designee's telephone number (include area code)

(907) 452-4156

Designee's address and ZIP code

1100 West Barnette St., Ste. 102, Fairbanks, AK 99701

Designee's fax number (include area code)

(907) 456-2290

I, undersigned, declare that I have examined this application and to the best of my knowledge and belief, it is true, correct, and complete.

Name and title (Type or print clearly.) ▶

Signature ▶

Date ▶

Applicant's telephone number (include area code)

Applicant's fax number (include area code)

Do I Need an EIN?

File Form SS-4 if the applicant entity does not already have an EIN but is required to show an EIN on any return, statement, or other document.¹ See also the separate instructions for each line on Form SS-4.

IF the applicant...	AND...	THEN...
Started a new business	Does not currently have (nor expect to have) employees	Complete lines 1, 2, 4a-6, 8a, and 9-16c.
Hired (or will hire) employees, including household employees	Does not already have an EIN	Complete lines 1, 2, 4a-6, 7a-b (if applicable), 8a, 8b (if applicable), and 9-16c.
Opened a bank account	Needs an EIN for banking purposes only	Complete lines 1-5b, 7a-b (if applicable), 8a, 9, and 16a-c.
Changed type of organization	Either the legal character of the organization or its ownership changed (e.g., you incorporate a sole proprietorship or form a partnership) ²	Complete lines 1-16c (as applicable).
Purchased a going business ³	Does not already have an EIN	Complete lines 1-16c (as applicable).
Created a trust	The trust is other than a grantor trust or an IRA trust ⁴	Complete lines 1-16c (as applicable).
Created a pension plan as a plan administrator ⁵	Needs an EIN for reporting purposes	Complete lines 1, 2, 4a-6, 8a, 9, and 16a-c.
Is a foreign person needing an EIN to comply with IRS withholding regulations	Needs an EIN to complete a Form W-8 (other than Form W-8ECI), avoid withholding on portfolio assets, or claim tax treaty benefits ⁶	Complete lines 1-5b, 7a-b (SSN or ITIN optional), 8a-9, and 16a-c.
Is administering an estate	Needs an EIN to report estate income on Form 1041	Complete lines 1, 3, 4a-b, 8a, 9, and 16a-c.
Is a withholding agent for taxes on non-wage income paid to an alien (i.e., individual, corporation, or partnership, etc.)	Is an agent, broker, fiduciary, manager, tenant, or spouse who is required to file Form 1042 , Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	Complete lines 1, 2, 3 (if applicable), 4a-5b, 7a-b (if applicable), 8a, 9, and 16a-c.
Is a state or local agency	Serves as a tax reporting agent for public assistance recipients under Rev. Proc. 80-4, 1980-1 C.B. 581 ⁷	Complete lines 1, 2, 4a-5b, 8a, 9, and 16a-c.
Is a single-member LLC	Needs an EIN to file Form 8832 , Classification Election, for filing employment tax returns, or for state reporting purposes ⁸	Complete lines 1-16c (as applicable).
Is an S corporation	Needs an EIN to file Form 2553 , Election by a Small Business Corporation ⁹	Complete lines 1-16c (as applicable).

¹ For example, a sole proprietorship or self-employed farmer who establishes a qualified retirement plan, or is required to file excise, employment, alcohol, tobacco or firearms returns, must have an EIN. A partnership, corporation, REMIC (real estate mortgage investment conduit), nonprofit organization (church, club etc.), or farmers' cooperative must use an EIN for any tax-related purpose even if the entity does not have employees.

² However, do not apply for a new EIN if the existing entity only (a) changed its business name, (b) elected on Form 8832 to change the way it is taxed (or is covered by the default rules), or (c) terminated its partnership status because at least 50% of the total interests in partnership capital and profits were sold or exchanged within a 12-month period. (The EIN of the terminated partnership should continue to be used. See Regulations section 301.6109-1(d)(2)(iii).)

³ Do not use the EIN of the prior business unless you became the "owner" of a corporation by acquiring its stock.

⁴ However, IRA trusts that are required to file Form 990-T, Exempt Organization Business Income Tax Return, must have an EIN.

⁵ A plan administrator is the person or group of persons specified as the administrator by the instrument under which the plan is operated.

⁶ Entities applying to be a Qualified Intermediary (QI) need a QI-EIN even if they already have an EIN. See Rev. Proc. 2000-12.

⁷ See also Household employer on page 4. (Note: State or local agencies may need an EIN for other reasons, e.g., hired employees.)

⁸ Most LLCs do not need to file Form 8832. See Limited liability company (LLC) on page 4 for details on completing Form SS-4 for an LLC.

⁹ An existing corporation that is electing or revoking S corporation status should use its previously-assigned EIN.

Appendix 6

EIN POWER OF ATTORNEY

Power of Attorney and Declaration of Representative

► See the separate instructions.

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date ____/____/____

Part I Power of Attorney (Type or print.)

1 Taxpayer information. Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address Akiachak Native Community P.O. Box 70 Akiachak, Alaska 99551	Social security number(s) _____ _____ _____	Employer identification number _____ _____ _____
	Daytime telephone number () _____	Plan number (if applicable) _____

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address Arlene Koenig 1100 West Barnette St., Ste. 102 Fairbanks, Alaska 99701	CAF No. 8005-72238R Telephone No. 907/452-4156 Fax No. 907/452-3156 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>
Name and address Debra Gross 1100 West Barnette St., Ste. 102 Fairbanks, Alaska 99701	CAF No. 8006-01437R Telephone No. 907/452-4156 Fax No. 907/452-3156 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>
Name and address Stefani Dalrymple 1100 West Barnette St., Ste. 102 Fairbanks, Alaska 99701	CAF No. _____ Telephone No. 907/452-4156 Fax No. 907/452-3156 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax matters

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (See the instructions for line 3.)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s)
Application for Employer Identification Number	SS-4	2002,2003,2004,2005,2006
Employer's Quarterly Federal Tax Return	941	2002,2003,2004,2005,2006
Employer's Annual Federal Unemployment Tax	940	2002,2003,2004,2005,2006

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. Specific uses not recorded on CAF. ☐

5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the authority to execute a request for a tax return, or a consent to disclose tax information unless specifically added below, or the power to sign certain returns. See the instructions for Line 5. Acts authorized.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: _____

Note: In general, an unenrolled preparer of tax returns cannot sign any document for a taxpayer. See Revenue Procedure 81-38, printed as Pub. 470, for more information.

Note: The tax matters partner of a partnership is not permitted to authorize representatives to perform certain acts. See the separate instructions for more information.

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ► _____

- 7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2 unless you check one or more of the boxes below.
- a** If you want the first representative listed on line 2 to receive the original, and yourself a copy, of such notices or communications, check this box ☒
- b** If you also want the second representative listed to receive a copy of such notices and communications, check this box. ☐
- c** If you do not want any notices or communications sent to your representative(s), check this box ☐
- 8 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here. ☐
YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.
- 9 Signature of taxpayer(s).** If a tax matter concerns a joint return, **both** husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.
- **IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**

Signature

Date

Title (if applicable)

Print Name

Signature

Date

Title (if applicable)

Print Name

Part II Declaration of Representative

Caution: Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the separate instructions for Part II.

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
 - a** Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b** Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c** Enrolled Agent—enrolled as an agent under the requirements of Treasury Department Circular No. 230.
 - d** Officer—a bona fide officer of the taxpayer's organization.
 - e** Full-Time Employee—a full-time employee of the taxpayer.
 - f** Family Member—a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
 - g** Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d)(1) of Treasury Department Circular No. 230).
 - h** Unenrolled Return Preparer—an unenrolled return preparer under section 10.7(c)(1)(viii) of Treasury Department Circular No. 230.

► **IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.**

Designation—Insert above letter (a-h)	Jurisdiction (state) or Enrollment Card No	Signature	Date
b	Alaska		
b	Alaska		
h	Alaska		

R&R FUND ACCOUNT -- SAMPLE DOCUMENTS

**First National Bank Alaska
Renewal and Replacement Account
Escrow Managed "First Investment" Account Agreement**

Dated: _____

Account No. _____

The parties to this deposit account agreement are _____, TIN No. _____ (hereinafter "depositor") and First National Bank Alaska (hereinafter "bank"). The agreement of the parties is as follows:

1. Money paid to bank for credit to the above account and interest earned thereon and credited to the above account shall constitute the "Renewal and Replacement Account" of depositor specified under the terms of depositor's agreement with the Denali Commission intended for use by depositor for replacement and repair of capital expenditure items that are part of depositor's Energy Facility as contemplated under that agreement. Depositor hereby represents and warrants, which representations and warranties shall be continuing and shall be deemed to be reaffirmed upon each instruction given by depositor, that: (a) depositor is duly organized and existing under the laws of the jurisdiction of its organization, with full power to carry on its business as now conducted, to enter into this agreement and to perform its obligations hereunder; (b) this agreement has been duly authorized, executed and delivered by depositor, constitutes a valid and legally binding obligation of depositor, enforceable in accordance with its terms, and not statute, regulation, rule, order, judgment or contract binding on depositor prohibits depositor's execution or performance of this agreement; (c) the Taxpayer Identification Number shown above (TIN) is depositor's correct taxpayer identification number; and (d) depositor is not subject to backup withholding because taxpayer is an exempt recipient under the Internal Revenue Service Regulations.

2. Under the terms of its agreement with Denali Commission, depositor is obliged to pay to bank the sum of \$ _____ and a like sum, not later than the last day of each and every month thereafter until the expiration of this agreement, equal to 1/12 of the annual deposit required in the respective year, as set forth in Attachment D entitled "40 Year Renewal and Replacement Cashflow" and any revisions thereof to be administered by FNBA in accordance with the terms hereof. Bank will furnish to depositor payment coupons that may be submitted by depositor with a payment to bank for credit to the above account. Bank will give only provisional credit until collection is final for any item, other than cash, bank accepts from depositor (including items drawn "on us"). Actual credit for payments of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. Bank is not responsible for transactions by mail or at an outside depository until it actually records them at its Escrow Department. Bank will treat and record all transactions received after bank's "daily cutoff time" on a business day bank is open, or received on a day bank's escrow department is not open for business on the next following day bank's Escrow Department is open.

3. Bank shall credit to the above account interest earned on the account balance in accordance with the provisions of bank's "First Investment Account" agreement, as amended by bank from time to time.

4. Bank shall disburse credit to the account to the order of depositor when it receives a resolution from depositor in the form of Attachment A hereto. Any two officers of depositor, acting together, may execute a resolution in the form of Attachment A to withdraw or transfer all or any part of the above account balance at any time. Bank may require not less than 7 days after receiving such a resolution before a withdrawal. Depositor authorizes any officer of depositor to endorse any item payable to depositor or depositor's order for deposit to the above account or any other transaction with bank. Bank may require the governing body of the legal entity opening this account to give bank a separate authorization telling bank who is authorized to act on its behalf. Bank will not honor the authorization until bank actually receives at its Escrow Department written notice of a change from the governing body of depositor.

5. Bank's current fee schedule for its services hereunder is attachment B hereto. Bank's set-up fee and first year's annual fee have been paid to bank as of the date of acceptance of this account by bank specified below. Future annual fees shall be due and payable by depositor to bank on the same day each consecutive year of the term hereof. An annual fee is due and earned when an account year begins. The first account year begins on the effective date hereof. Any fee due and payable to bank hereunder may be charged against the above account when due. Bank may amend Exhibit B hereto from time to time on thirty days prior written notice to depositor.

6. On the last calendar day of each month of the term hereof, bank shall furnish to depositor and Denali Commission a written statement of the above account specifying the account balance, and any payment(s) received and interest earned credited to the account, as well as all disbursements of credit to the account to the order of depositor and fees charged to the account by bank, since the last statement date. Until further instructed in writing statements shall be furnished to depositor and Denali Commission by mailing the same in a first class postage prepaid envelope addressed as follows:

To Depositor: _____	To Denali Commission _____
_____	_____
_____	_____
_____	_____

Depositor must examine its statement of account with "reasonable promptness." If depositor discovers (or reasonably should have discovered) any unauthorized signatures or alterations, depositor must promptly notify bank of the relevant facts. As between depositor and bank, if depositor fails to do either of these duties, depositor will either share the loss with bank, or bear the loss entirely itself (depending on whether bank used ordinary care and, if not, whether bank substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer. Depositor agrees that the time it has to examine its statement and report to bank will depend on the circumstances, but will not, in any circumstance exceed a total of 30 days from when the statement is first sent or made available to depositor. Depositor further agrees that if depositor fails to report any unauthorized signatures, alterations, forgeries or any other errors in its account within 30 days of when bank first sends or makes the statement available, depositor cannot assert a claim against bank on any items in that statement, and as between depositor and bank the loss will be entirely depositor's.

7. Bank's duties are determined from these instructions alone and without reference to other agreements, including, without limitation, any agreement between depositor and Denali Commission, and no covenant or obligation shall be implied against bank in connection with this agreement.

8. The effective date hereof is the date of acceptance of the account as specified by bank below. Money received by bank prior to acceptance is deemed to be received on the date of acceptance.

9. Bank may assign its duties hereunder (and thereby be released from its duties) to any corporation regularly engaged in the business of providing, in Alaska, the service bank is required to provide hereunder.

10. Bank may terminate the above account upon 30 days written notice to depositor and Denali Commission. After such termination bank will pay any account balance to the order of depositor.

11. Bank is deemed to have notice only when notice is actually received at its Escrow Department office, which does not include any branch office of bank.

12. A claim against bank is unenforceable unless an action is commenced within 90 days after termination of this agreement.

13. Bank shall not be liable for any costs, expenses, damages, liabilities or claims including attorneys' and Accountants' fees (collectively, "Losses") incurred by or asserted against depositor except those Losses arising out of the negligence or willful misconduct of bank. In no event shall bank be liable to depositor or any third party for

special indirect or consequential damages, or lost profits or loss of business, arising in connection with this agreement.

14. Bank has no duty to look to the propriety or application of any payment or distribution made to depositor, or to the order of depositor, and depositor agrees to indemnify bank and hold bank harmless from and against any and all Losses sustained or incurred by or asserted against bank by reason of or as a result of any action or inaction, or arising out of bank's performance hereunder, including reasonable fees and expenses of counsel incurred by bank in a successful defense of claims by depositor; provided, that depositor shall not indemnify bank for those Losses arising out of bank's negligence or willful misconduct. This indemnity shall be a continuing obligation of depositor, its successors and assigns, notwithstanding the termination of this agreement.

15. Bank shall have no duty or responsibility to inquire into, make recommendations, supervise, or determine the suitability of any transactions affecting the above account.

16. Bank shall be entitled to rely upon any resolution in the form of Attachment A actually received by bank and reasonably believed by bank to be duly authorized and delivered.

17. Bank is authorized to supply to any third party any information regarding the above account which is required by any law, regulation, rule or court order (including without limitation any subpoena) now or hereafter in effect.

18. Bank shall not be responsible for preparing or filing any tax report or return nor for the payment of any tax assessed against, or with respect to, any of the assets of the above account or any transaction for the account of depositor.

19. Each and every right granted to either party hereunder or under any other document delivered hereunder or in connection herewith, or allowed it by law or equity, shall be cumulative and may be exercised from time to time. No failure on the part of either party to exercise, and no delay in exercising, any right will operate as a waiver thereof, nor will any single or partial exercise of any other right.

20. In case any provision in or obligation under this agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not be amended or modified in any manner except by a written agreement executed by both parties. This agreement shall extend to and shall be binding upon the parties hereto, and their respective successors and assigns.

21. This agreement shall be construed in accordance with the substantive laws of the State of Alaska, without regard to conflicts of laws principles thereof. Depositor and bank hereby consent to the jurisdiction of a state or federal court situated in the Third Judicial District, State of Alaska, in connection with any dispute arising hereunder. Depositor hereby irrevocable waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of venue of any such proceeding brought in such a court and any claim that such proceeding brought in such a court has been brought in an inconvenient forum. Depositor and bank each hereby irrevocably waives any and all rights to trial by jury in any legal proceeding arising out of or relating to this agreement. To the extent that in any jurisdiction depositor may hereafter be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, depositor irrevocably agrees not to claim, and it hereby waives, such immunity.

22. This agreement and the attachments hereto constitute the entire agreement of the parties. Bank has not made representations or assurances to depositor not stated herein.

Date: _____

Depositor

By: _____

By: _____

First National Bank Alaska accepted this account on _____.

By: _____

Wells Fargo
Renewal and Replacement Account
Escrow Managed "Regular Savings" Account Agreement

_____, 2002

Account No. _____

1. The parties to this agreement are _____ (Owner), and Wells Fargo. Owner hereby appoints Wells Fargo, acting through its Trust Department, as the Invested Escrow Agent for the investment and disbursement of the funds in accordance with this agreement. Wells Fargo agrees to serve as Invested Escrow Agent, pursuant to the terms set forth in this agreement.
2. Monies deposited by the Owner with Wells Fargo shall be for the purpose of establishing an R&R Account, which shall be used for replacement and repair of capital expenditure items with regard to the Owner's Energy Facility, which is partially or fully funded with monies from the Denali Commission.
3. On or before _____, 2002, Owner shall deposit the sum of \$ _____ and a like sum, not later than the last day of each and every month thereafter, until the expiration of this agreement, equal to 1/12 of the annual deposit required in the respective year, as set forth in Attachment D entitled "40 Year Renewal and Replacement Cashflow" and any revisions thereof to be administered in accordance with the terms of this Agreement.
4. The funds shall be deposited into an interest bearing "Regular Savings" account. Disbursements from this account will be restricted and can only be approved by Wells Fargo's Escrow Department pursuant to this agreement.
5. Upon written instruction from Owner, in the form of a Resolution identical to Attachment A, signed by two parties, Wells Fargo's Escrow Department shall disburse funds to the Owner.
6. The interest earned on the account shall accrue for the benefit of the Owner.
7. Wells Fargo will assess the fees and charges set forth in the fee schedule which is attached as Attachment B.
8. Wells Fargo will compile a "Monthly Report", at the end of each calendar month, on all Renewal and Replacement Accounts that are established under similar agreement. This report will show all account activity by each Owner including; deposit amounts, date of deposits, disbursements, and date of disbursements. Monthly reports shall be sent to:

Denali Commission
Attn: Chief of Staff
510 L Street Suite 410
Anchorage, AK 99501

9. Wells Fargo shall have no duties not expressly provided for herein, and will not incur liability if it substantially complies with the instructions contemplated herein, using reasonable care in executing transactions, and in safekeeping the funds.

Wells Fargo

By: _____

Its: _____

Date

(Owner)

Date

By: _____

Its: _____

Taxpayer ID # _____

Address: _____

PLEASE COMPLETE THIS AREA TO INSURE CORRECT ROUTING

ESCROW AGREEMENT

Acct. # _____

ORIGINATED BY _____

ACCEPTED COPY
RETURN TO _____

Date: _____

TO: WELLS FARGO BANK ALASKA (WF),
its successors and assigns

I hand you herewith the following described item(s): _____

Beginning Balance \$ _____ Payments of \$ _____ Maturity Date _____
☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Annually
 First payment due: _____ Interest start date _____ at _____ %
 Payments made in excess of the regular scheduled amount ☐ will ☐ will not satisfy future payments due.
 Excess funds ☐ will ☐ will not be applied to prior mortgage/debt. Interest calculation based on ☐ 360 days ☐ 365 days.
 Attached: ☐ Exhibit A Special Payment Provisions ☐ Exhibit B Multiple Disbursements ☐ Exhibit C Partial Releases ☐ Exhibit D Reserves

Additional Instructions: _____

You are authorized to charge my WF Account # _____ ☐ for the scheduled escrow payments, ☐ balloon payments.

Payer Signature _____

Remit payments to payee: _____

Address _____

Or Credit Payments to: ☐ Cashier's Check ☐ E.F.T. (Enclose voided check)
☐ Checking ☐ Savings: WF Acct. No. _____ (Disbursement fees paid by payee per payment/ transaction)

Upon execution of this agreement the parties herein agree to pay fees in accordance with the current fee schedule. Fees are collected per payment/transaction. Set up fee: ☐ paid ☐ collect from first payment. Fees Paid by: ☐ Payee ☐ Payer ☐ Divide Equally
 (Fees Subject to Change Without Notice) ☐ We request late payment monitoring (additional fee)
 Unless otherwise instructed, all service charges and fees will be charged to Payee.

WF is hereby authorized to deliver, by registered mail or personally, the instrument(s) and/or document(s) herein mentioned to any one of the undersigned Payees for and on behalf of all Payees at any address given below or such other address as any one of the undersigned Payees shall designate in writing upon Payee's request or at WF's option under the following conditions:

- At Payee's request when:
- (a) Any payment is delinquent 30 days or more; or
 - (b) Payee furnishes WF evidence that Payer has received at least 20 days' written notice of Payee's intent to terminate, delivered by registered or certified mail.
- At WF's option when:
- (a) One payment has been delinquent for three months and WF has provided 10 days' prior notice to Payee and Payer.
 - (b) Upon 30 days' prior written notice by WF to Payee and Payer.

We the undersigned have read this Agreement, including the Terms and Conditions set forth on the reverse side, and understand the contents thereof and acknowledge that the terms of the Agreement are satisfactory to each of us. Upon receipt by the Bank of the final payment, the Bank will deem the contract satisfied and the Instrument(s) and/or document(s) will be released to the Payer. Under penalty of perjury, I certify that the Social Security or Employer I.D. Number provided below is true, correct and complete, and I am not subject to backup withholding.

Date _____

Date _____

PLEASE PRINT NAME SOCIAL SECURITY NO. OR EMPLOYEE I.D. NO.

PLEASE PRINT NAME SOCIAL SECURITY NO. OR EMPLOYEE I.D. NO.

X
PAYEE (SELLER) SIGNATURE

X
PAYER (BUYER) SIGNATURE

ADDRESS

ADDRESS

PLEASE PRINT NAME SOCIAL SECURITY NO. OR EMPLOYEE I.D. NO.

PLEASE PRINT NAME SOCIAL SECURITY NO. OR EMPLOYEE I.D. NO.

X
PAYEE (SELLER) SIGNATURE

X
PAYER (BUYER) SIGNATURE

ADDRESS

ADDRESS

Received above item(s) subject to conditions herein mentioned.
Wells Fargo Bank Alaska.

By _____

PLEASE COMPLETE THIS AREA TO INSURE CORRECT ROUTING

WELLS FARGO BANK ALASKA ESCROW AGREEMENT**Terms and Conditions**

Payments. Payer shall pay all sums due Payee from time to time in the manner set forth herein to WF Escrow Service Department, at P.O. Box 100600, Anchorage, Alaska 99510-0600 or such other address as may be directed by WF in the future. WF shall accept all payments tendered on this transaction, regardless of whether they are partial, full, or additional payments or whether they are tendered before or after the payment due date. WF shall have no duty or obligation to refuse any payment nor shall it be responsible for determining the sufficiency of any such payment unless otherwise agreed in writing by WF. WF will credit the account for payments as received and will disburse funds the following business day, but shall not be required to disburse to Payee prior to the time WF determines the payment is from collected funds. If any check received by WF is dishonored upon presentment for any reason, WF may notify Payee of such dishonor and the amount of funds which WF has disbursed to Payee or other named Payees in reliance upon Payer's dishonored payment. Upon receipt of such notice, Payee shall promptly remit to WF the amount of such funds so disbursed by WF together with WF's then customary charge for the handling of returned checks, which charge shall be stated in the notice sent to Payee. WF is hereby given authority to reverse the credit to an account to which it has disbursed funds and/or to deduct from Payee's account the amount of the charge plus the amount of funds it has disbursed in reliance upon said dishonored payment. If two (2) checks are dishonored during any calendar year for any reason, WF may without notice terminate this account, cancel this Agreement and return the documents to Payee.

Interest Computation. Interest will be computed on a 365-day factor, except for leap year. Payments will be applied first to WF's fees, then to interest, the remainder, if any, to principal. The parties shall have 30 days in which to dispute the application of payments as computed by WF. WF shall be notified of any such dispute in writing within 30 days. If WF does not receive such notice within 30 days, all computations made by WF shall be conclusively deemed correct. Nothing in this paragraph shall modify or change any of the agreements between, or rights and remedies of Payer and Payee, as between the two. Any modification to this method of computation must be agreed to in writing by WF.

Service Charge. WF may deduct its fees and service charges from payments received or credited to Payee's account. If fees or service charges are not received within 30 days of their due date, WF is authorized to terminate this Agreement without notice and deliver the documents to Payee. The expenses of closing of this collection may be deducted from the proceeds of the final payment. Service charges and fees are set forth in WF's published rates, which are subject to change from time to time without notice.

Disputes. In the event of any dispute or misunderstanding, WF shall have the option to close the escrow and deliver instruments or documents to any one of the Payees or on behalf of the Payees upon 30 days prior written notice by WF to Payee and Payer or to hold undisbursed funds, or to require settlement by a neutral party, such as an arbitrator for determination, or to pursue any legal remedies which may be available to it, including the right to deposit the subject matter hereof in interpleader in the appropriate court of the Third Judicial District, Anchorage, Alaska, and upon so doing to be absolved from all further obligations or liability hereunder. Payee and Payer jointly and severally agree to pay to WF all costs and expenses incurred by WF, including actual attorney's fees, in any interpleader action.

Limitation of WF's Responsibility. WF shall be responsible only for the exercise of ordinary care in performing the duties set forth in this Agreement. WF shall be relieved from any further or additional liability beyond the performance of the duties expressly set forth herein. The parties hereto jointly and severally agree to defend, indemnify, and hold WF, its officers, employees, shareholders, attorneys, directors, agents and representatives harmless from and against, and to pay on demand all claims, costs, damages, judgments, attorney's fees, expenses, obligations and liabilities of every kind and nature suffered or incurred in connection with this Agreement except any liability founded upon WF's failure to exercise ordinary care in performing the duties contained herein. Payee and Payer agree that WF will not be responsible for any of the following:

- (a) To notify any party of nonpayment or declaration of default, condemnation or the condition of any property;
- (b) To construe, enforce or determine the performance or nonperformance of any terms of the documents underlying the transaction;
- (c) To determine if any agreement or document is in compliance with local, state, or federal laws and regulations;
- (d) To determine the authenticity, validity, enforceability or sufficiency of any document deposited, or for the accuracy of description of any such document, the description having been furnished by the parties;
- (e) To give notice of any change of ownership or to enforce any due-on-sale or similar provisions;
- (f) To determine if any payment schedule will amortize any obligation;
- (g) To determine the sufficiency or verification of the account balances on any other previously or subsequently-recorded encumbrance or security interest against the property, including security interests which this collection agreement may, in whole or in part, satisfy; further, WF does not assume any responsibility for determining if any payments being made by this escrow to satisfy, in whole or in part, any other obligation will, in fact, amortize the obligation receiving the payments hereunder at or before the satisfaction of this escrow;
- (h) To pay or notify any party regarding recording of documents, perfection of security interests, or nonpayment of insurance premiums, taxes or other assessments or encumbrances;
- (i) To assess, bill, collect or pay any late charges due under the terms of the documents deposited herewith unless otherwise agreed in writing by WF;
- (j) For the determination of balances to third parties or overpayments to them where instructed to credit payments to persons other than the Payee;
- (k) To verify or determine whether the assignment of the payments under this escrow for security purposes or otherwise does not create a default in the terms of the documents underlying this transaction;
- (l) To account or give credit for any payment made or received outside this collection;
- (m) To vote or exercise any of the rights of ownership of corporate stock or similar items deposited herewith; or
- (n) To perform any act not expressly set forth in this Agreement even though contained in any documents deposited herewith.

The liability of WF for negligent performance, or negligent non-performance, shall be limited to the amount of charges or fees charged to the parties hereto, under this Agreement, for the month in which any damages are incurred. Under no circumstances will WF be liable for any special, consequential, or punitive damages. Notwithstanding any other provision of this Agreement, WF will not be liable for any damage, loss, liability, or delay caused, directly or indirectly, in whole or in part, by those items set forth above.

Lien-Offset. WF shall have a first and paramount lien on all documents, monies and things deposited in connection with this Agreement and the right of offset against any WF account of any party hereto to secure payment of all costs, expenses, obligations and fees due WF.

Agreement Controls. In the event of conflict or omission between the documents deposited in connection with this Agreement, this Agreement shall control as to WF. WF shall not be responsible for determining the existence of any such conflict or omission.

Authority to Release Information. If any party to this Agreement sells or contracts to sell the property described in the documents deposited herewith, or applies for financing secured by the property, WF is authorized to furnish to the lender, closing agent, or any other interested party, any information concerning the status of this account, including the payment records and copies of the documents deposited.

Authority to Transfer. WF is authorized to assign, delegate and/or transfer all its duties and the documents held hereunder to another institution upon ten (10) days' prior written notice to Payer and Payee. Upon such transfer, WF shall be relieved of all further duties and liabilities under or related to this Agreement.

Notice. Any notice to WF required or permitted hereunder shall be sent certified or registered mail to Wells Fargo Bank Alaska Escrow Service Department, P.O. Box 100600, Anchorage, Alaska 99510-0600, or such other address as may be designated by WF. Notice shall be effective only when received in the Escrow Service Department.

General. This Agreement may be modified or amended only by written instructions accepted by WF and payment of the applicable fee. This Agreement is intended for the sole benefit of the parties hereto, and shall not be construed to create any rights in third parties. This Agreement shall be governed and interpreted in accordance with the laws of the State of Alaska, and any litigation arising out of or relating to this Agreement to which WF is a party shall be commenced and maintained only in the appropriate court of the Alaska State Court System, Third Judicial District, at Anchorage.

ATTACHMENT A

Resolution for Disbursement of Renewal and Replacement Funds for Energy Facility

*An Identical Resolution to This Must be Passed and Signed by the Community To Withdraw Funds from
The R&R Account*

Community of _____
Resolution No. _____

WHEREAS, the Community of _____ has established an escrow managed interest bearing renewal and replacement account with the financial institution of _____ for the purpose of renewal and replacement expenditures related to the _____ facility, which was partially or fully funded by the Denali Commission, and

WHEREAS, pursuant to the communities approved business plan for _____ facility the community has agreed that funds deposited into this renewal and replacement account will only be used for the renewal and replacement of _____ facility, and

WHEREAS, eligible withdrawal of funds from this account must be for the labor, transportation, equipment rental, professional services, materials, equipment and other costs for the replacement and repair of assets essential to the on-going sustainability of the _____ facility. For energy facilities this is including but not limited to: Access Roads, Buildings, Poles, Transformers, Generators, Radiators, Electrical Systems, Wires, Meter Systems, Pumps, Fencing, Fuel Storage Tanks, Fuel Distribution Systems, Walkways, Access Roads Dispensers, Fill Stations, Tank Liners, Fencing, Pad, Valves, Pipelines, Piling, Decks, Manwalks, Headers, Ground Maintenance and Containment Systems

THEREFORE, the Community of _____ hereby attests that the funds being requested from the escrow managed interest bearing renewal and replacement account with the financial institution of _____ is for renewal and replacement expenses related to the _____ facility as outlined above and is not being used for any other purpose, and

THEREFORE, the Community of _____ requests the total sum of \$ _____ for the following detailed expenses _____
_____.

Signed by two people representing the community,



ATTACHMENT B

How to Establish a Renewal and Replacement Account for Denali Commission Funded Public Infrastructure

Background

Under the guidelines of Denali Commission funding a community is required to have a business plan that outlines how the Denali Commission funded project will be operated and maintained. One of the conditions required in the business plan is a community established Renewal and Replacement (R&R) Account. An R&R account will provide a mechanism for the community to save money for the inevitable renewal and replacement costs associated with the facility.

General Guidelines of a Renewal and Replacement Account

- Allows community to make monthly deposits
- Must be an interest bearing account
- Only allows withdrawal of funds for Renewal and Replacement costs of the facility.
 - Requires a Resolution from the community certifying funds are being used for Renewal and Replacement expenses related to the facility that was partially or wholly funded by the Denali Commission.
- Account must allow for Denali Commission and other Auditing agencies to monitor deposit and withdrawal activity (Monthly Reports on account activity must be sent to Denali Commission)

Financial Institutions

The Denali Commission has negotiated terms with two Financial Institutions that will allow for the unique guidelines of these R&R accounts. Other institutions that will allow accounts that meet the guidelines above are acceptable.

	First National Bank	Wells Fargo
Contact Person	Lorraine O'Neal Sr. Escrow Officer First National Bank Operations Center 1751 Gambell St. Anchorage, AK 99501 Phone: (907) 777-3424 Fax: (907) 777-3446	Jackie Zuspan Escrow Manager Wells Fargo 301 West Northern Lights Blvd. Anchorage, AK 99503 Phone: (907) 265-2162 Fax: (907) 265-2170
Type of Account	Escrow Managed "First Investment" Account	Escrow Managed "Regular Savings" Account
Set-Up Fee	\$30.00	\$35.00
Annual/Monthly Fee	\$50.00 Annual Fee and \$5 monthly fee until account balance is above \$2,500	\$3 Monthly Fee until account balance is above \$300
Disbursement Fee	\$25.00 each time a community requests funds (through approved resolution)	\$5.00 each time (for a Money Order) when a community requests funds (through approved resolution)

Check Writing	None	None
Reports	Monthly Report to Denali Commission on Deposit and Withdrawal activity (.50 Charge)	Monthly Report to Denali Commission on Deposit and Withdrawal activity (No Charge)
Requirement for Withdrawal of Funds	Approved Resolution Identical to Attached Template must be submitted to Escrow Department	Approved Resolution Identical to Attached Template must be submitted to Escrow Department
Interest	First Investment Account Tiered depending on balance of account (based on current Treasury Bill). Below are 1/02/02 rates: \$0-\$2,499 .557% \$2,500-\$4,999 .778% \$5,000-\$24,999 .825% \$25,000-\$49,999 .846% \$50,000-\$99,999 .887% \$100,000+ .917%	Based on the Regular Savings account: 5/20/02 rate = 1%

To establish an account:

1. **Contact one of the representatives above**
2. **Tell them you need to establish a “Denali Commission Renewal and Replacement Account”**
3. **Sign the Account Agreement for the institution.**
4. **Pay set-up fee and fill out other general information to establish account**

Sample documents attached include:

- o Business plan language that requires R&R accounts
- o Account agreements (between institution and community) templates
- o Example of the resolution that is required to withdraw funds from a R&R account

ATTACHMENT C
EXAMPLE OF LANGUAGE IN ALL DENALI COMMISSION FUNDED ENERGY FACILITIES

Financial Responsibilities

There are two cost categories that will be incurred in the ongoing operation and upkeep of the Facility – O&M and R&R.

1) O&M: The Primary Operator will incur a number of expenses relating to the O&M of the Facility. O&M items are defined as expenses that are incurred on a regular basis (administration, audits, etc) and maintenance expenses that are incurred on an annual basis. O&M expenses are detailed in *Table C: Annual O&M Schedule* and a narrative detail is provided in *Section IX: Financial Information* to address estimates and assumptions. Certain Facility components are common to all Participants, and the O&M costs of these items will be properly allocated, prorated according to fuel storage capacity or as detailed in the *Access, Occupancy, Operations and Maintenance Agreement Appendix A: Participants' Operational Responsibilities*.

2) R&R: R&R costs are those expenses defined as items costing greater than \$5,000 and/or that are not incurred on an annual basis. *Table E: 40 Year R&R Schedule* details the anticipated items, the frequency of their replacement and their present day value. Certain Facility components are common to all Participants, and the R&R costs of these items shall be properly allocated, prorated according to fuel storage capacity, or as detailed in the *Access, Occupancy, Operations and Maintenance Agreement Appendix A: Participants' Operational Responsibilities*.

Participants will make annual O&M and R&R contributions on a mutually agreeable date, as specified in the attached *Access, Occupancy, Operations and Maintenance Agreement*. The contribution will be made directly to the Primary Operator, which will deposit contributions into separate accounts. The Primary Operator will maintain separate O&M and R&R accounts and will maintain a sufficient account balance to meet the O&M and R&R financial goals in this Plan. The O&M account may be an active non-interest bearing account, while the R&R account must be an interest-bearing, managed savings account, which requires two signatories and a community resolution for withdrawals. When the cash balance of the R&R account makes an escrow account more cost effective; then the R&R account must be transferred to an interest-bearing invested escrow account that is acceptable to the Denali Commission. The Manager will be authorized to draw against the O&M funds for routine expenses of the Facility, however individual expenditures in excess of \$5,000 will require the authorization of the Primary Operator's management or governing body. See *Appendix A: Statement of Qualifications* for an overview of the Primary Operator's fiscal controls and accounting procedures.

At least once a year, no later than November 30th, the Primary Operator will develop a budget for the upcoming fiscal year, January 1st through December 31st, for both O&M and R&R, and will distribute copies to each participant.

Operations and Maintenance Guidelines

The Primary Operator will establish an active non-interest bearing account for the Facility O&M so that the O&M schedule can be completed and the Facility operations can be sustained into the future. *Section IX: Financial Information* provides *Table C: Annual O&M Schedule* as a guide to plan for annual maintenance activities and *Table D: 40 Year O&M Cashflow* as a guide to estimated yearly O&M required contributions. These costs are based upon the O&M cost estimate provided by HMS, Inc, see *Appendix B: O&M and R&R Cost Estimate*.

The Primary Operator of the Facility will be responsible for the majority of the O&M of the Facility. The YSD will be responsible for the O&M of its facilities, and as such, these costs are not included as part of this Plan.

Renewal and Replacement Guidelines

The Primary Operator will establish a Bulk Fuel Facility managed savings account or interest-bearing invested escrow account acceptable to the Denali Commission, which will ensure capitalization of an amount sufficient to maintain the R&R Schedule. It is assumed that the R&R activities for Year 20 will be funded 40% from the R&R account and 60% from debt financing, at 5.5% over 10 years. *Section IX: Financial Information* provides *Table E: 40 Year R&R Schedule* as a guide to plan for annual R&R activities, *Table F: 40 Year R&R Cashflow* as a guide to estimated yearly R&R required contributions, and *Table G: Loan Schedules* as a guide to Year 20 and Year 40 R&R loan assumptions and payment schedules. These costs are based upon the R&R cost estimate provided by HMS, Inc, see *Appendix B: O&M and R&R Cost Estimate*.

When applicable, the Primary Operator will periodically remit R&R funds to the administrator of its R&R escrow account, according to guidelines to be established by the Denali Commission. Management and other fees charged by the escrow fund administrator will be automatically deducted from the Primary Operator's R&R escrow account, according to an Escrow Agreement or other similar document.

The Participants will use the estimates in this Plan for year one contributions, and in subsequent years will recalculate contributions based upon assets to be maintained as actually built.

ATTACHMENT D **40 YEAR RENEWAL AND REPLACEMENT CASHFLOW**

Inflation Rate : 1.50%	Council	Initial Cost per gallon (\$/gallon) : \$ 0.10
Reinvestment Rate : 3.00%	Corporation	Annual increase : 2%
Escrow Fees : 1.00%		
Loan Rate : 5.50%	Council	Initial Throughput (gallons) : 38,000
Loan Term : 30 Years	Corporation	Initial Throughput (gallons) : 244,960
	YSD	Initial Throughput (gallons) : 107,500

Year	R & R Fund Balance										Assumed Throughput (Gallons)				Per Gallon Payment		
	Beg. of Year Balance	Annual Deposit			Principal Received	Debt Service	Renewals/ Replacements	Interest Earnings (Net of Fees)	End of Year Balance	Council	Corporation	YSD	Council	Corporation	YSD		
		Council	Corporation	YSD												Total	
1	\$ -	\$ 4,180	\$ 20,332	\$ 4,085	\$ 28,597		\$ -	\$ -	\$ 28,597	38,000	244,959	107,500	\$ 0.110	\$ 0.083	\$ 0.038		
2	\$ 28,597	\$ 4,356	\$ 21,248	\$ 4,085	\$ 29,689		\$ -	\$ 858	\$ 91,144	38,825	250,982	107,500	\$ 0.112	\$ 0.085	\$ 0.039		
3	\$ 59,144	\$ 4,540	\$ 22,206	\$ 4,085	\$ 30,831		\$ -	\$ 1,774	\$ 91,749	39,667	257,156	107,500	\$ 0.114	\$ 0.086	\$ 0.040		
4	\$ 91,749	\$ 4,731	\$ 23,208	\$ 4,085	\$ 32,024		\$ -	\$ 2,752	\$ 126,525	40,528	263,485	107,500	\$ 0.117	\$ 0.088	\$ 0.040		
5	\$ 126,525	\$ 4,930	\$ 24,255	\$ 4,494	\$ 33,679		\$ 13,207	\$ 3,400	\$ 150,396	41,407	269,972	107,500	\$ 0.119	\$ 0.090	\$ 0.041		
6	\$ 150,396	\$ 5,138	\$ 25,349	\$ 4,494	\$ 34,981		\$ -	\$ 4,512	\$ 189,889	42,306	276,622	107,500	\$ 0.121	\$ 0.092	\$ 0.042		
7	\$ 189,889	\$ 5,354	\$ 26,493	\$ 4,494	\$ 36,341		\$ -	\$ 5,697	\$ 231,927	43,224	283,438	107,500	\$ 0.124	\$ 0.093	\$ 0.043		
8	\$ 231,927	\$ 5,580	\$ 27,689	\$ 4,494	\$ 37,763		\$ -	\$ 6,958	\$ 276,648	44,162	290,426	107,500	\$ 0.126	\$ 0.095	\$ 0.044		
9	\$ 276,648	\$ 5,815	\$ 28,940	\$ 4,494	\$ 39,249		\$ -	\$ 8,299	\$ 324,196	45,120	297,588	107,500	\$ 0.129	\$ 0.097	\$ 0.045		
10	\$ 324,196	\$ 6,060	\$ 30,247	\$ 4,943	\$ 41,250		\$ 79,794	\$ 7,332	\$ 292,984	46,099	304,931	107,500	\$ 0.131	\$ 0.099	\$ 0.045		
11	\$ 292,984	\$ 6,274	\$ 31,315	\$ 4,943	\$ 42,532		\$ -	\$ 8,790	\$ 344,305	46,791	309,505	107,500	\$ 0.134	\$ 0.101	\$ 0.046		
12	\$ 344,305	\$ 6,496	\$ 32,420	\$ 4,943	\$ 43,859		\$ -	\$ 10,329	\$ 398,493	47,493	314,148	107,500	\$ 0.137	\$ 0.103	\$ 0.047		
13	\$ 398,493	\$ 6,725	\$ 33,564	\$ 4,943	\$ 45,232		\$ -	\$ 9,081	\$ 452,806	48,205	318,860	107,500	\$ 0.140	\$ 0.105	\$ 0.048		
14	\$ 452,806	\$ 6,962	\$ 34,749	\$ 4,943	\$ 46,654		\$ -	\$ 10,318	\$ 509,779	48,928	323,643	107,500	\$ 0.142	\$ 0.107	\$ 0.049		
15	\$ 509,779	\$ 7,208	\$ 35,976	\$ 5,437	\$ 48,621		\$ 15,327	\$ 10,672	\$ 553,745	49,662	328,497	107,500	\$ 0.145	\$ 0.110	\$ 0.050		
16	\$ 553,745	\$ 7,463	\$ 37,246	\$ 5,437	\$ 50,146		\$ -	\$ 11,954	\$ 615,844	50,407	333,425	107,500	\$ 0.148	\$ 0.112	\$ 0.051		
17	\$ 615,844	\$ 7,726	\$ 38,561	\$ 5,437	\$ 51,724		\$ -	\$ 13,297	\$ 680,865	51,163	338,426	107,500	\$ 0.151	\$ 0.114	\$ 0.052		
18	\$ 680,865	\$ 7,999	\$ 39,922	\$ 5,437	\$ 53,358		\$ -	\$ 13,617	\$ 747,840	51,930	343,503	107,500	\$ 0.154	\$ 0.116	\$ 0.053		
19	\$ 747,840	\$ 8,281	\$ 41,331	\$ 5,437	\$ 55,049		\$ -	\$ 14,957	\$ 817,846	52,709	348,655	107,500	\$ 0.157	\$ 0.119	\$ 0.054		
20	\$ 817,846	\$ 8,573	\$ 42,790	\$ 5,981	\$ 57,344	\$ 307,993	\$ 40,860.77	\$ 10,567	\$ 596,261	53,500	353,885	107,500	\$ 0.160	\$ 0.121	\$ 0.055		
21	\$ 596,261	\$ 8,876	\$ 44,301	\$ 5,981	\$ 61,035		\$ 40,860.77	\$ -	\$ 625,665	54,303	359,193	107,500	\$ 0.163	\$ 0.123	\$ 0.056		
22	\$ 625,665	\$ 9,189	\$ 45,864	\$ 5,981	\$ 62,978		\$ 40,860.77	\$ -	\$ 657,555	55,117	364,581	107,500	\$ 0.167	\$ 0.126	\$ 0.058		
23	\$ 657,555	\$ 9,514	\$ 47,483	\$ 5,981	\$ 64,900		\$ 40,860.77	\$ -	\$ 691,986	55,944	370,050	107,500	\$ 0.170	\$ 0.128	\$ 0.059		
24	\$ 691,986	\$ 9,850	\$ 49,160	\$ 5,981	\$ 67,671		\$ 40,860.77	\$ 17,788	\$ 729,138	56,783	375,601	107,500	\$ 0.173	\$ 0.131	\$ 0.060		
25	\$ 729,138	\$ 10,197	\$ 50,895	\$ 6,579	\$ 69,828		\$ 40,860.77	\$ -	\$ 751,570	57,635	381,235	107,500	\$ 0.177	\$ 0.134	\$ 0.061		
26	\$ 751,570	\$ 10,557	\$ 52,692	\$ 6,579	\$ 72,060		\$ 40,860.77	\$ -	\$ 794,751	58,499	386,953	107,500	\$ 0.180	\$ 0.136	\$ 0.062		
27	\$ 794,751	\$ 10,930	\$ 54,552	\$ 6,579	\$ 72,060		\$ 40,860.77	\$ -	\$ 840,028	59,377	392,757	107,500	\$ 0.184	\$ 0.139	\$ 0.064		
28	\$ 841,028	\$ 11,316	\$ 56,477	\$ 6,579	\$ 74,372		\$ 40,860.77	\$ -	\$ 890,543	60,267	398,649	107,500	\$ 0.188	\$ 0.142	\$ 0.065		
29	\$ 890,543	\$ 11,715	\$ 58,471	\$ 6,579	\$ 76,765		\$ 40,860.77	\$ -	\$ 943,441	61,171	404,629	107,500	\$ 0.192	\$ 0.145	\$ 0.066		
30	\$ 943,441	\$ 12,129	\$ 60,535	\$ 6,579	\$ 79,242		\$ 40,860.77	\$ 107,471	\$ 890,254	62,089	410,698	107,500	\$ 0.195	\$ 0.147	\$ 0.067		
31	\$ 890,254	\$ 12,557	\$ 62,672	\$ 6,579	\$ 81,807		\$ -	\$ 17,805	\$ 989,866	63,020	416,858	107,500	\$ 0.199	\$ 0.150	\$ 0.069		
32	\$ 989,866	\$ 13,000	\$ 64,884	\$ 6,579	\$ 84,463		\$ -	\$ 19,797	\$ 1,094,126	63,966	423,111	107,500	\$ 0.203	\$ 0.153	\$ 0.070		
33	\$ 1,094,126	\$ 13,459	\$ 67,174	\$ 6,579	\$ 87,212		\$ -	\$ 21,883	\$ 1,203,221	64,925	429,458	107,500	\$ 0.207	\$ 0.156	\$ 0.072		
34	\$ 1,203,221	\$ 13,934	\$ 69,546	\$ 6,579	\$ 90,059		\$ -	\$ 24,064	\$ 1,317,344	65,899	435,900	107,500	\$ 0.211	\$ 0.160	\$ 0.073		
35	\$ 1,317,344	\$ 14,426	\$ 72,001	\$ 7,237	\$ 93,663		\$ 20,643	\$ 25,934	\$ 1,416,299	66,888	442,438	107,500	\$ 0.216	\$ 0.163	\$ 0.075		
36	\$ 1,416,299	\$ 14,935	\$ 74,542	\$ 7,237	\$ 96,714		\$ -	\$ 28,326	\$ 1,541,339	67,891	449,075	107,500	\$ 0.220	\$ 0.166	\$ 0.076		
37	\$ 1,541,339	\$ 15,462	\$ 77,174	\$ 7,237	\$ 99,873		\$ -	\$ 30,827	\$ 1,672,039	68,909	455,811	107,500	\$ 0.224	\$ 0.169	\$ 0.078		
38	\$ 1,672,039	\$ 16,008	\$ 79,898	\$ 7,237	\$ 103,143		\$ -	\$ 33,441	\$ 1,808,622	69,943	462,648	107,500	\$ 0.229	\$ 0.173	\$ 0.079		
39	\$ 1,808,622	\$ 16,573	\$ 82,718	\$ 7,237	\$ 106,528		\$ -	\$ 36,172	\$ 1,951,323	70,992	469,588	107,500	\$ 0.233	\$ 0.176	\$ 0.081		
40	\$ 1,951,323	\$ 17,158	\$ 85,638	\$ 7,237	\$ 110,033		\$ 2,012,505	\$ 349	\$ 49,201	72,057	476,632	107,500	\$ 0.238	\$ 0.180	\$ 0.082		